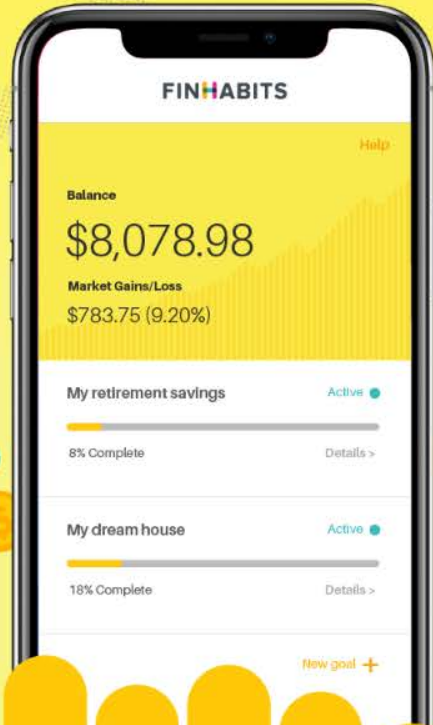




FinTech: How to Apply New Technology and Gamification to Financial Empowerment

Nashila Somani-Ladha, Sr. Innovation Manager at Commonwealth

Rogelio Pier Martinez, COO at Finhabits



FINHABITS

WE MAKE RETIREMENT SAVINGS
MORE INCLUSIVE, HELPING
MULTICULTURAL FAMILIES PLAN
FOR THEIR FUTURE

June 2018



01

Leveling the playing field: Individual Retirement Account (IRA) platform for the 55 million US workers without access to a 401(k).

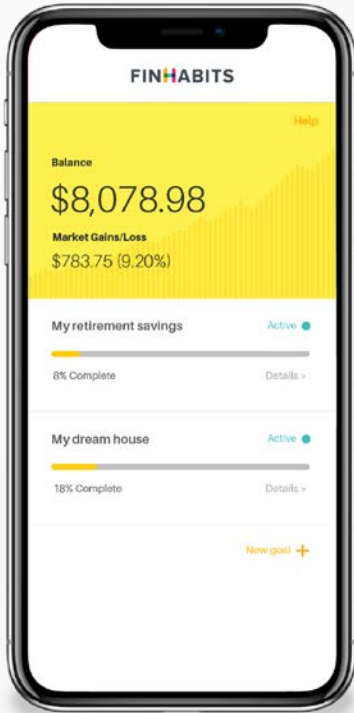
02

Bringing fintech innovation: Automated and simple account opening, fiduciary investment advice, and long-term engagement model.

03

Using cultural fluency: Unique marketing strategy and vantage point to acquire and build trust with multicultural families.





Removes barriers for workers to start

10 minutes account opening via mobile app or web browser.

No minimums to start and with access to a managed investment portfolio.

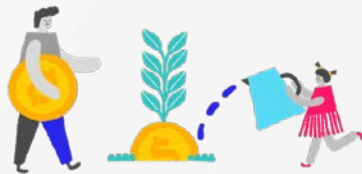
Automated engagement model and customer support in English and Spanish.

No need for payroll integration.

Designed for real -life behaviors

Automated contributions, plus flexibility to pause or activate them as needed.

Portable to allow continuity of savings when switching jobs.



Builds smart financial habits

Actionable educational content in English and Spanish.

Nudges via text messages and emails to encourage smart habits.

Leading digital platform serving multicultural families

Results

106%

MoM growth rate (last 6m)

72%

Non-white clients

84%

Clients with no prior investment experience ¹

#39

Rank on the Google Play store of top finance apps in the US

Weekly activity

9,530

account applications

78,900

investment transactions

108,000

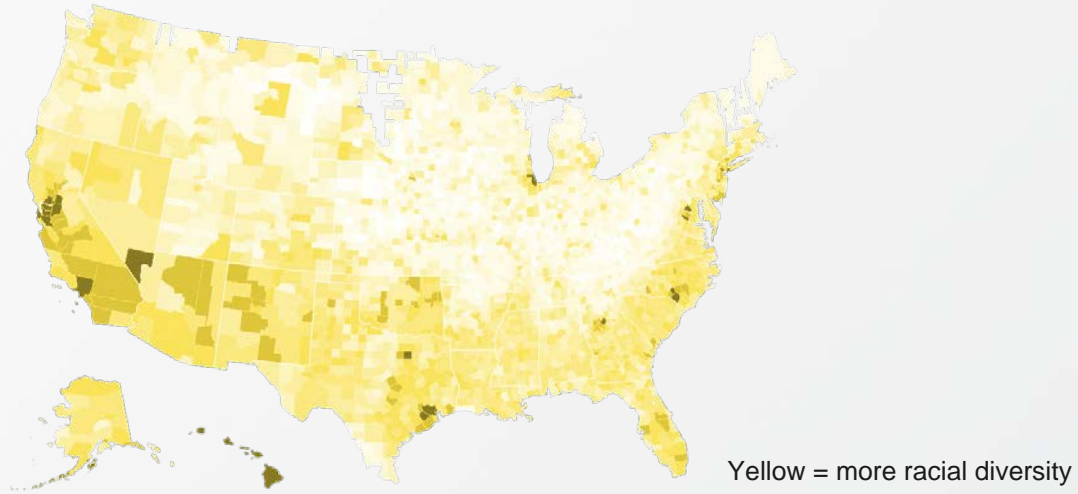
Emails and text messages

986

phone calls (60% in Spanish)

¹ Finhabits onboarding survey

Let's make financial services more inclusive



By the year 2050, US multicultural households will represent 53% of the population (238MM people).

commonwealth

SavingsQuest: Gamified Emergency Savings

June 7, 2018

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.



The Savings Challenge



41%

Of Americans don't have **\$400** for
an emergency (2017)



2.4%

Personal savings rate
(2017)



Nicole's Story

- Nicole is a single mother of two and works in retail
- She is worried about:
 - Risk of an unexpected emergency
 - Paying for her children's education
- Wants to save, but feels overwhelmed
- Plays CandyCrush on her bus ride home to relax and destress



Solving The Problem

- No immediate reward for savings
- People are searching for tools that can make saving money easier, less stressful, and fun



Consumers are motivated by savings **rewards** and **supportive messaging**



Gamification is a proven engagement strategy



SavingsQuest: Gamifying Emergency Savings

- Built on Commonwealth's previous work in Financial Entertainment games and success of gamified health tracking apps
- Designed solution with the goal of making saving \$400 the "10,000 steps" of financial security





Watch the video [“SavingsQuest: How It Works”](#)

Closed Beta Results: Improved Savings Behavior

- We ran a test with 300 users and saw a clear interest in gamification
- **89%** of users saved at least once during the testing period
- Participants saved **25%** more frequently than those not participating
- Participants were only **6%** of cardholders but made up **12%** of total savings



\$300,000 saved in 3 months



“SavingsQuest is like getting a high five for saving.”

“It’s like having a trainer in the gym—motivating me to get more savings like a trainer would motivate me to get a six-pack.”

“The dancing pig made it more fun and cheered me up.”

Let's take a look!



SavingsQuest

THANK YOU

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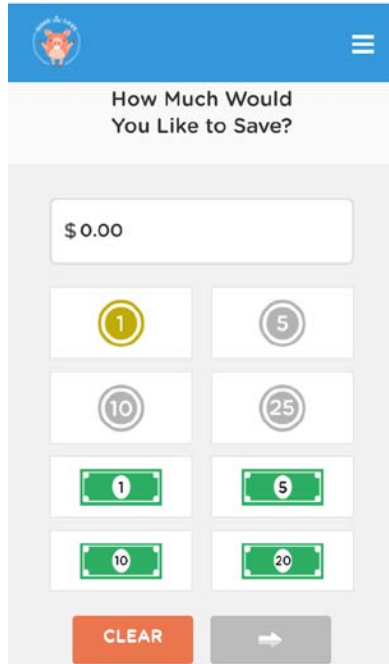
APPENDIX



We build solutions to make people financially secure.

SavingsQuest:

Making Small Savings Have a Big Impact

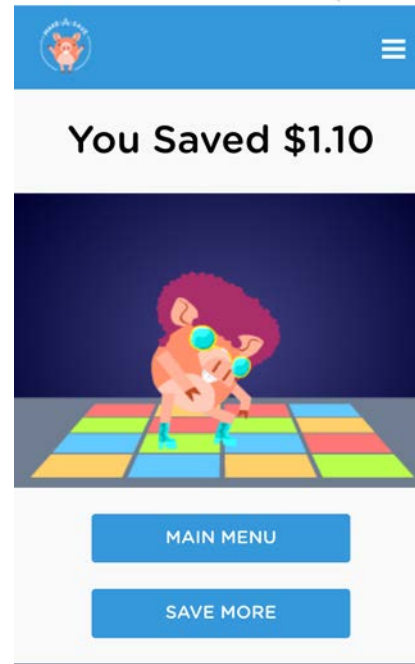


How Much Would You Like to Save?


\$ 0.00

1	5
10	25
1	5
10	20

CLEAR →



You Saved \$1.10



MAIN MENU

SAVE MORE

Questions?