



Transforming Financial Wellness Programs into Revenue Generating Business Strategies

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THE FINANCIAL BRAND

FORUM

Today: Financial Wellness & Health

- Myth-busting: Financial health & wellness
- Understand financial health opportunity
- Measurement matters
- Examples, tips & tools
- Bringing it to life for customers, employees, organizations



Roadmap for Success



“What is financial health?”
“Does anyone care?”

“I have actual KPIs and business priorities.”

“Silos everywhere.”

“We don’t have time and
resources.”

A magnifying glass with a black frame is positioned over a financial document. The lens of the magnifying glass is focused on a line graph with blue data points and connecting lines. In the background, there is a bar chart with blue bars of varying heights. A silver pen lies horizontally across the upper right portion of the image. The overall scene suggests a detailed financial analysis or audit.

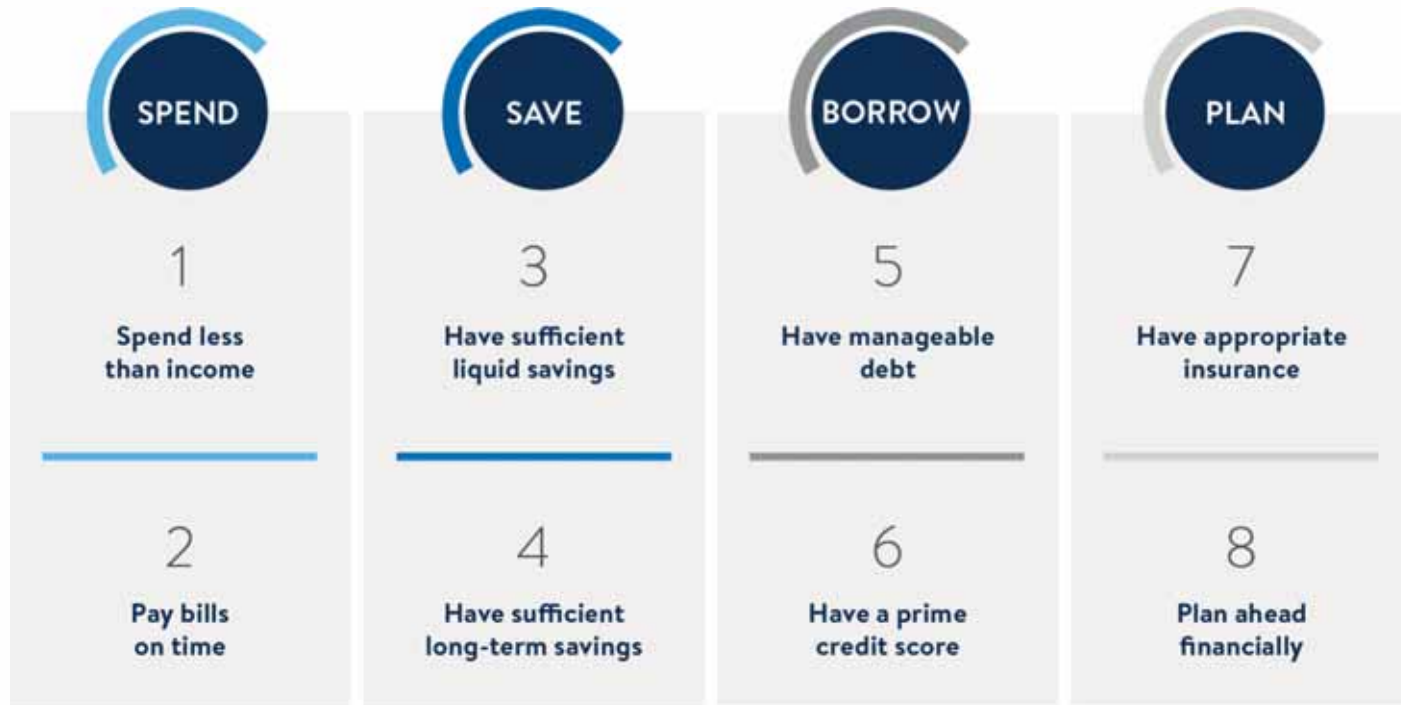
**Shift focus.
Look through a
financial health lens.**

What is financial health?



Financial health
comes about when
your daily systems help
you build resilience and
pursue opportunities.

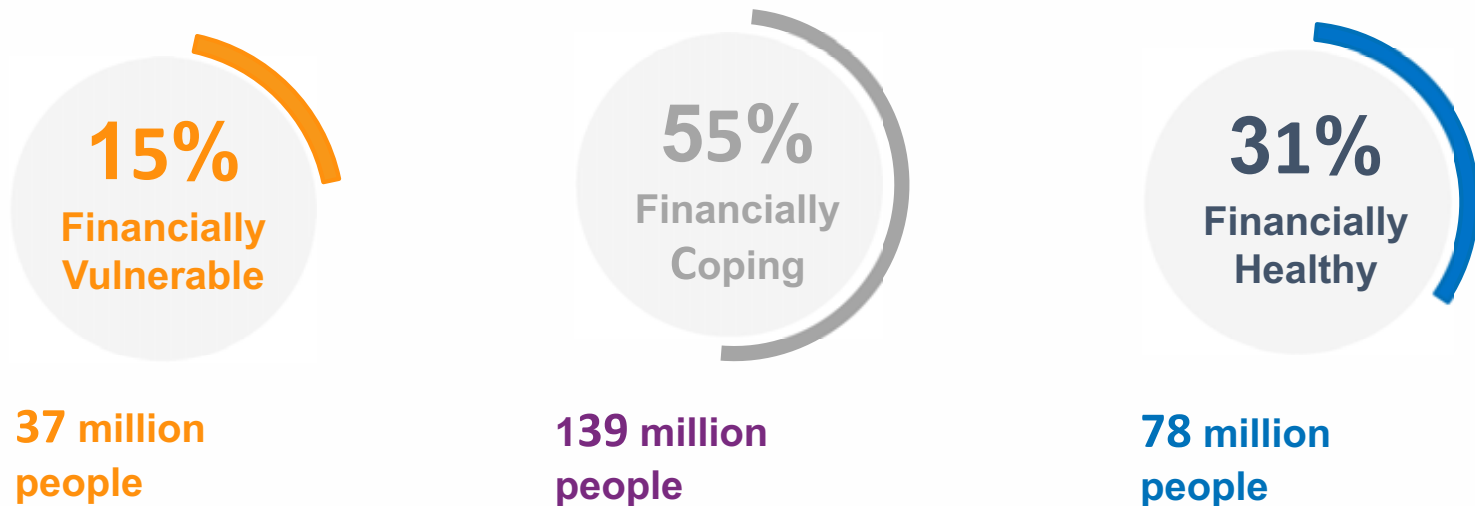
Eight Indicators of Financial Health



2022 U.S. Trends Report Key Findings

- 1 Financial health declined for the first time in five years of Pulse research, as the proportion of people considered Financially Healthy decreased over the past year.
- 2 Declines in financial health were related to expenses outpacing incomes and reductions in savings.
- 3 Numerous demographic and socioeconomic groups experienced financial health declines, including those that have historically had high levels of financial health.
- 4 People with low incomes who were able to take advantage of a tight labor market experienced large improvements in their financial health. Meanwhile, those most impacted by inflation experienced declines.

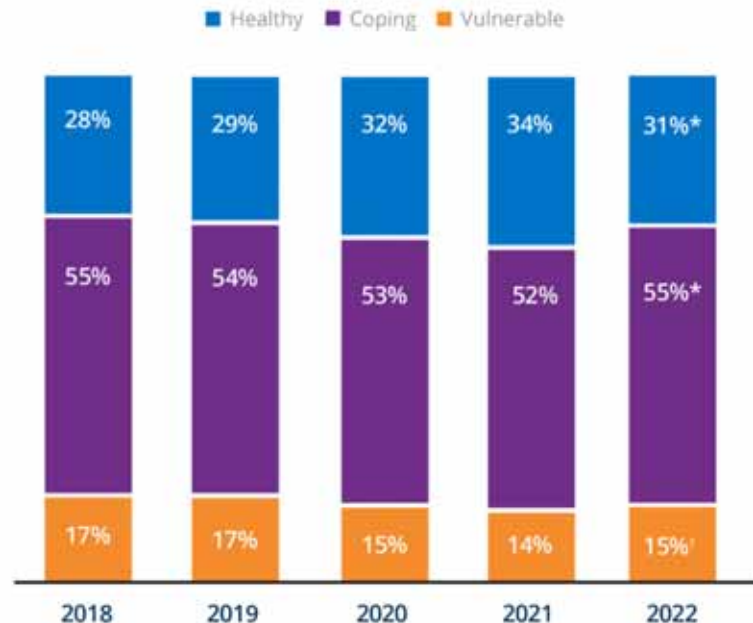
Less Than One-Third of Adults in the US Are Financially Healthy



Note: Percentages are rounded to the nearest integer and, as a result, do not sum to 100%.

Financial Health Declined for the First Time Since 2018

Percentage of people categorized by financial health tier (2018-22).



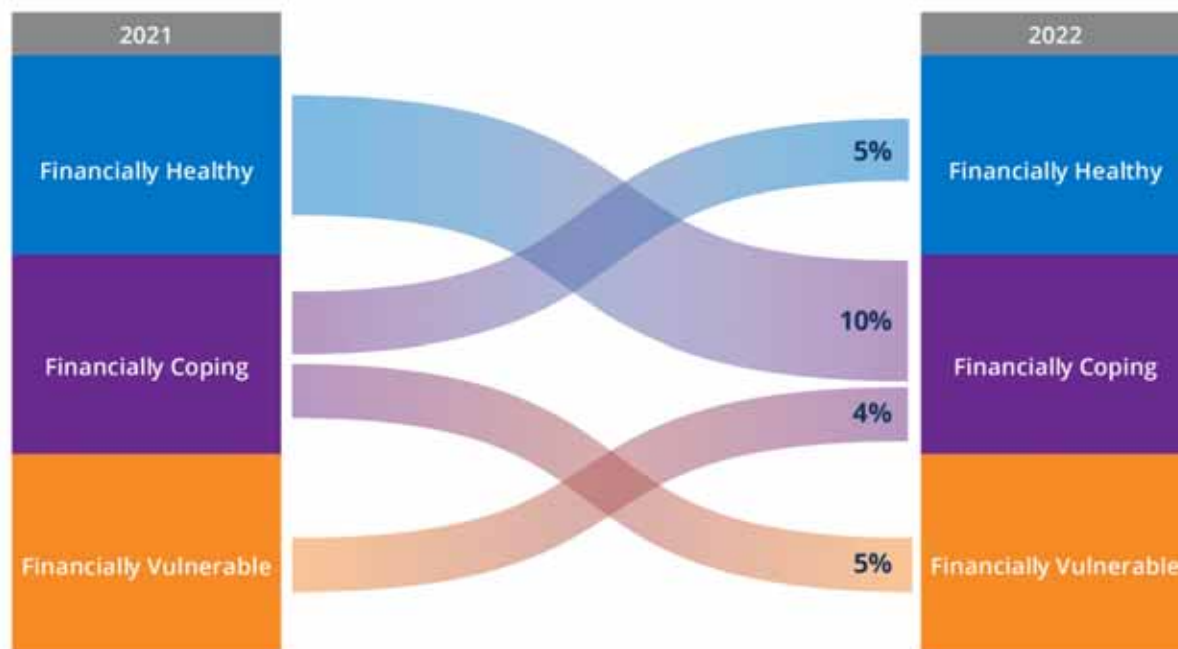
* Statistically significant vs. 2021 ($p < 0.05$).

† Statistically significant vs. 2019, the last survey conducted before the COVID-19 pandemic ($p < 0.05$).

Note: Figures are rounded to the nearest integer and, as a result, may not sum to 100%.

15% of People Moved to a Lower Financial Health Tier

Percentages of people who changed financial health tiers (2021-22).



Myth #1:
Financial health is marketing
lingo.

Fact #1: Financial Health is a Business Strategy.

What is a financial health business anyway?

A financial health business drives bottom-line success by helping customers improve their financial health

management tools?

requirements?

are financially literate?

What is a financial health business anyway?



Providing digital money management tools?



Meeting CRA requirements?



Making sure customers are financially literate?

Financial Health

has started to show up as
pillar of brand and corporate
strategy

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LendingClub (Now a Bank) Aims to Become a 'Financial Health' Brand

F Forbes

PayPal CEO Dan Schulman Explains His Strategy For
Investing In Employees' Financial Health

THE FINTECH TIMES

Dreams: Why Banks Must Start Caring About Financial
Wellbeing

F Forbes

If Fintechs Want To Generate Revenue, They Should Create
A Financial Health Platform

2020 Financial Health Leaders

Alkami

BALANCE

bcu

BECU

coastcapital.

Commonwealth Bank
of Australia

consumeraction

credit karma

Elevate

ESL
Student Credit Union - a
5% banking only service

Even

FinFit.

Finicity

GreenPath.
financial wellness

lendstreet

LendingClub

Machias
Savings Bank

Meridian

Money Management
INTERNATIONAL

MX

nab

THE FOUNDATION

NEIGHBORHOOD
TRUST
FINANCIAL PARTNERS

OneMain Financial

opploans

Opportunity
Fund
working capital
for working people

PayPal

Payveris
Payments in A Digital World

PLAID

REGIONS

SALARY
FINANCE

SaverLife
Primary CARE

servus
credit union

SIMPLE

springfour
credit union

STASH

SUNRISE BANKS

TD

ufcu

valleywise

VIRGINIA
Credit Union

WSECU

WrightPatt
CREDIT UNION, INC.

Myth #2:

FinHealth doesn't connect to
business success.

Fact #2:
Financial Health increases
customer retention and
value.

Your Customers Want Help With Financial Health

69%

of financial institution **execs believe** improving customer financial health is important

16%

of financial institutions **launched a product** aimed at improving customer financial health as of 2019

80%

of **consumers want** their financial institution to help improve their financial health

14%

of **consumers say** their financial institution is helping improve their financial health

74%

of **employees say** it's important for their employer to offer financial wellness benefits

58%

of **employees** say their finances cause them stress, as of 2019

Financially Healthy People Make Better Customers

Customers who think their Primary Financial Institution supports their financial health have greater levels of:

SATISFACTION

3X

more likely to be “very satisfied” with their PFI

LOYALTY

3X

more likely to recommend their PFI to friends and family

2X

more likely to continue their relationship with their PFI over the next five years

CROSS-SELL

5X

more likely to report interest in purchasing additional products and services

25

Declines Occurred Across Financial Health Indicators

Change in % pts (2021-22).



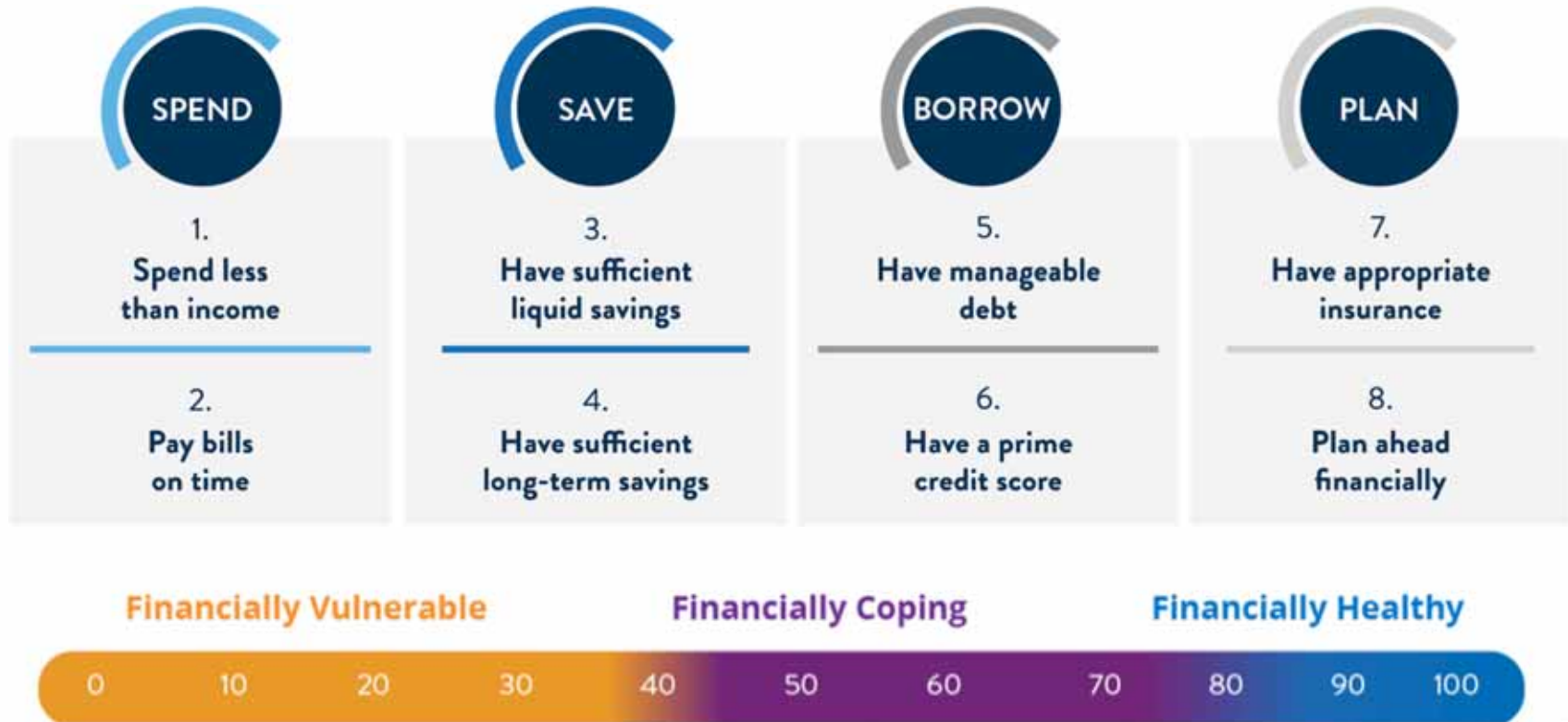
* Statistically significant ($p < 0.05$).

Note: Figures are rounded to the nearest integer.

Myth #3:
It's hard to measure
FinHealth (and the impact to
business).

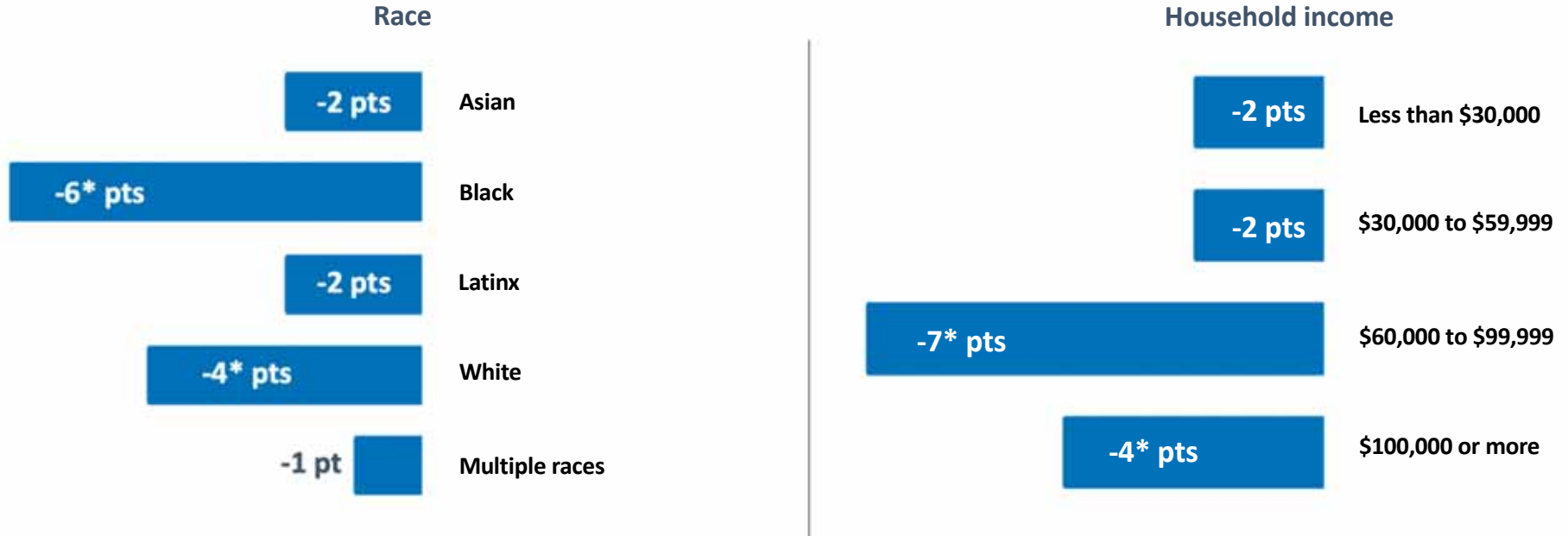
Fact #3:
What gets measured, gets
managed.

Measuring Financial Health



Financial Health Declined Across Many Groups

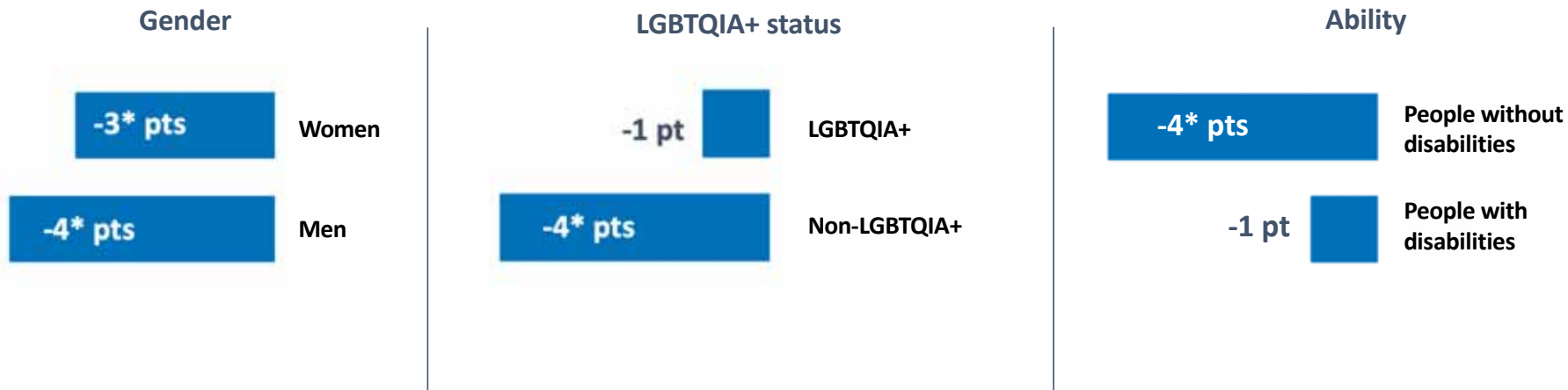
Percentage point change in people considered Financially Healthy,
by demographic/socioeconomic group (2021-22).



* Statistically significant ($p < 0.05$).

Financial Health Declined Across Many Groups

Percentage point change in people considered Financially Healthy,
by demographic group (2021-22).



* Statistically significant ($p < 0.05$).

Measurement Drives Action



43% of Americans spend more than or equal to their income

- Predicting cash flows
- Earmarking income for expenses
- Timing bill payments to inflows



41% of Americans lack three months of savings

- Round-up
- Prize-linked and goal-oriented savings
- Set it and forget it



27% of Americans say they have unmanageable debt

- Turning credit card debt into installments
- Credit building loans, cards
- Support services to help troubled borrowers



36% of Americans do not plan ahead financially

- Digital envelopes
- Balance forecasting
- Factoring in insurance

Technology Is a Key Enabler of FinHealth Solutions

- ⌚ On-demand platforms meet consumers where they are
- ⌚ Data-driven insights can automate and optimize decision-making
- ⌚ Technology can drive deeper engagement, over time, beyond transactions



Benchmark Your Customers



finhealthnetwork.org/score

Attune:

Measure FinHealth in Minutes

Attune is a Financial Health Network platform that automatically collects and analyzes finhealth data for your customers and employees.

Attune makes it easier for you to gather finhealth insights as you go, so that you can make the most informed decisions to further your finhealth strategy.

[Visit Attune.co](https://attune.co)

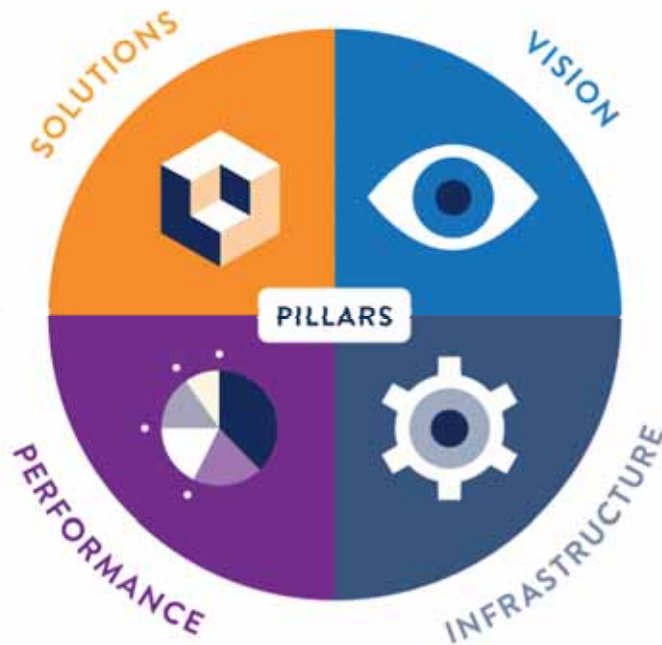


FinHealth MAP

A maturity model and assessment tool helping companies build their financial health strategy

Delivery of solutions that will support and improve financial health for all

Accountability to design solutions that deliver financial health impact



Understanding of and commitment to sustainable financial health impact

Existence of resources, capabilities, and structures to support financial health impact

Maturity grows through adoption of activities...

VISION

1. Finhealth is seen as a **value driver**
2. Finhealth is linked to the company's **mission and vision**
3. Finhealth is **understood** by all employees
4. Finhealth is **promoted** internally and externally by leadership

INFRASTRUCTURE

1. **People and funds** are committed to finhealth
2. Capabilities exist to **collect, analyze, and act** on finhealth data
3. Finhealth is aligned to **investments** and **compensation**

PERFORMANCE

1. Finhealth is **measured** and **analyzed**
2. Finhealth data is used to **design** and **iterate** on solutions
3. Finhealth impact is **measured**
4. There is **organization-wide accountability** for finhealth impact

SOLUTIONS

1. Do **no harm**
2. Follow **best practices**
3. Support finhealth across **spend, save, borrow, and plan**
4. Leverage **behavioral economics**
5. Provide **inclusive** and **equitable** solutions for all

...that are integrated across the organization



Business Functions

Myth #4.

It's going to be hard to
integrate financial health into
our brand.

Fact #4:
Maybe. But it's a journey
towards a destination.

Embracing the Financial Health Journey



The Look and Language of Financial Health

Branding

- ③ Consistent language and narrative—make the business case.
- ③ Where/how does this show up?
- ③ Deploy across the organization—internal and external channels.

Storytelling

- ③ Can consumers see themselves and/or their challenges?
- ③ Data is good, but is it related to the core need?
- ③ Show and tell!

Connecting with Audiences

- ③ What problems do your employees/consumers have that are actually financial health problems?
- ③ Start with educating, but then help your employees and customers on their journey.

Speaking the language of “financial health”



Another sign of a looming recession? Americans' ability to pay bills on time fell for the first time in 5 years

Last Updated: Sept. 17, 2022 at 11:00 a.m. ET
First Published: Sept. 12, 2022 at 3:34 a.m. ET

By Zach Eichen

A person who is 'financially healthy' spends less than they earn, pays bills on time, and has sufficient liquid savings and long-term savings, a new report says.



FORTUNE

FINANCE · CORONAVIRUS

'A tale of two Americas': How the pandemic is widening the financial health gap

By McKenna Moore

October 15, 2022 at 7:02 AM CDT




SAVE AND INVEST

Despite a strong economy, just 29% of Americans are financially 'healthy,' according to a new report

Published Fri, Nov 15 2019 8:30 AM EST • Updated Fri, Nov 15 2019 8:28 AM EST

Storytelling: Head and heart



The video player interface shows the title 'The Gender Gap in Financial Health' and subtitle 'Stories from Everyday Women'. It is presented by the Principal Foundation and the Financial Health Network. The video progress bar indicates 0:15 / 2:17. The YouTube logo and various control icons are visible at the bottom of the player.

The Gender Gap in Financial Health

Stories from Everyday Women

Closing the financial health gender gap has the potential not only to improve millions of women's lives, **but also to add trillions to the U.S. economy.** Our report helps untangle the complex web of factors that hinder women's ability to thrive financially and offers potential solutions that can address these challenges holistically.

Explore the research to learn how understanding and addressing the gap would benefit us all.

In partnership with SSRS, FHN conducted a nationally representative survey as well as a series of focus groups.

[Read the Report](#)

Are you ready?



ACTION ITEM #1

Alignment & Inventory.

- Use your financial health lens to re-look at your organization.
- What products, services, solutions are already in place?
- Who needs to know about them? (customers, employees, partners, etc.)

ACTION ITEM #2

Use the financial health lens & aperture.

- Show and tell: Highlight customer or employee outcomes.
- Discuss impact.
- Embed in owned materials, narratives, content.

ACTION ITEM #3

Measure and report.

- What are you already measuring?
- Mine for data points and stories.
- Show impact and changes.



Questions?

#fbforum

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Thank you!

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