

The Mind of Low- to Moderate-Income Savers

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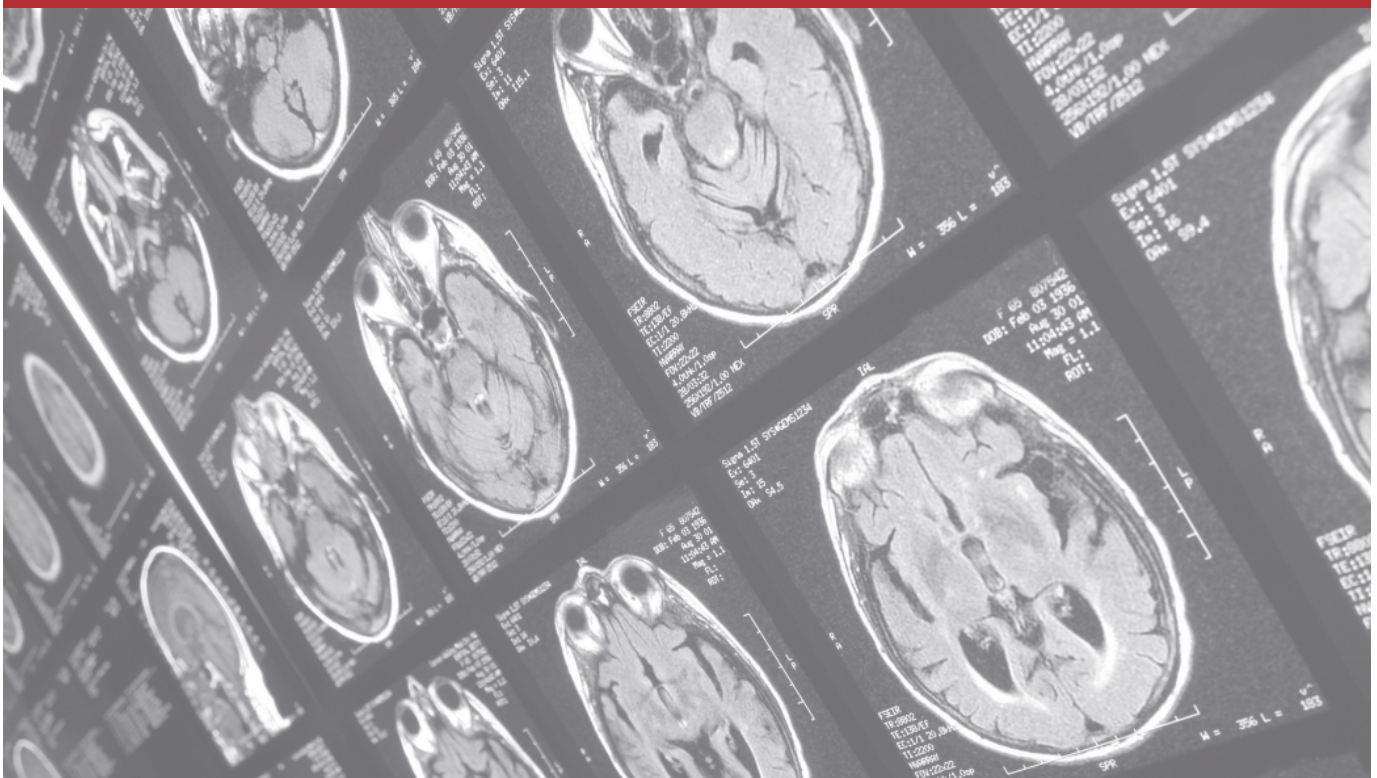
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Deeply embedded in the credit union tradition is an ongoing search for better ways to understand and serve credit union members. Open inquiry, the free flow of ideas, and debate are essential parts of the true democratic process.

The Filene Research Institute is a 501(c)(3) not-for-profit research organization dedicated to scientific and thoughtful analysis about issues affecting the future of consumer finance. Through independent research and innovation programs the Institute examines issues vital to the future of credit unions.

Ideas grow through thoughtful and scientific analysis of top-priority consumer, public policy, and credit union competitive issues. Researchers are given considerable latitude in their exploration and studies of these high-priority issues.

The Institute is governed by an Administrative Board made up of the credit union industry's top leaders. Research topics and priorities are set by the Research Council, a select group of credit union CEOs, and the Filene Research Fellows, a blue ribbon panel of academic experts. Innovation programs are developed in part by Filene i³, an assembly of credit union executives screened for entrepreneurial competencies.

The name of the Institute honors Edward A. Filene, the “father of the U.S. credit union movement.” Filene was an innovative leader who relied on insightful research and analysis when encouraging credit union development.

Since its founding in 1989, the Institute has worked with over one hundred academic institutions and published hundreds of research studies. The entire research library is available online at www.filene.org.



*Progress is the constant
replacing of the best there is
with something still better!*

— **Edward A. Filene**

Acknowledgments

D2D Fund would like to thank George Hofheimer and the Filene Research Institute. We would also like to thank the National Credit Union Foundation, particularly Stephen Delfin and Lois Kitsch. We are indebted to Maya Bourdeau and Zdenka Strum for their tireless volunteer efforts. We would also like to recognize the work of Kara Adamon and Jiao Zhang. We would like to recognize our participating credit unions: Affinity FCU, Affinity Plus FCU, Baxter Credit Union, BECU, BestSource Credit Union, Bethpage, CEFCU, Centra Credit Union, Desert Schools FCU, Digital Federal Credit Union, FORUM Credit Union, Goldenwest Credit Union, Langley Federal Credit Union, Local Government FCU, North Carolina State Employees Credit Union, Orange County Teachers Federal Credit Union, Patelco, Provident Credit Union, PSECU, Veridian Credit Union, Virginia Credit Union, and Wright-Patt Credit Union. Additional thanks go to credit union marketing executives who granted D2D interviews: Leigh Brady (North Carolina State Employees Credit Union), Jean Holman (Virginia Credit Union), Nan Morrow (Centra Credit Union), Heidi Parks (Provident Credit Union), Susan Siegel (SunMark Credit Union), Diana Windley (Goldenwest Credit Union), and Debbie Wege (BECU).

Table of Contents

	Executive Summary and Commentary	ix
	About the Authors	xi
Chapter 1	Introduction	1
Chapter 2	Credit Union Imagery and Messaging	5
Chapter 3	ZMET Market Research	11
Chapter 4	Research Findings	15
Chapter 5	Metaphor Implications	23

Executive Summary and Commentary

By George A. Hofheimer,
Chief Research Officer

The credit union industry and D2D Fund share a common interest: better understanding the mind-set of low- to moderate-income (LMI) consumers regarding personal finances and financial services. For credit unions, attracting LMI customers is important to their mission of “meeting the credit and savings needs of consumers, especially persons of modest means” and an important part of what distinguishes them from other depository institutions. As a nonprofit organization devoted to helping low-income families address their financial service needs—especially the need for saving opportunities—D2D knows it must understand these consumers’ thoughts, feelings, and attitudes about personal finance in order to serve them effectively.

Like most Americans, LMI families find it difficult to save money. For many, day-to-day needs like housing, food, and commuting to work consume the vast majority of their incomes. The threat of financial crisis—brought on, for example, by a job loss, illness, or essential car repair—hangs over them and colors their daily financial choices. A lack of savings undermines their efforts to build a more promising future for themselves.

This reality raises important questions relevant to the credit union industry:

- *How can LMI families be helped and encouraged to save?* Depository institutions have a key role to play, as both a provider of savings products and a source for personal finance information. Among depositories, credit unions are unique in being nonprofit, consumer-owned, and tax-exempt—and in their mission to serve the savings and credit needs of persons of modest means.
- *How might credit unions best reach potential LMI savers?* As the primary means by which institutions reach out to customers, marketing is almost certainly part of the answer—not only the amount of marketing conducted, but the degree to which it is tailored to this market segment.

D2D explores LMI receptivity to savings product marketing using a cutting-edge marketing research tool, the Zaltman Metaphor Elicitation Technique (ZMET). ZMET is an innovative research methodology that elicits insights about human decision making through metaphors and storytelling. Using a sophisticated interview technique, researchers encourage consumers to create stories and identify images about their feelings related to a topic of study. From these stories emerge metaphors, messages, and imagery that professional marketers use to build brands and products (e.g., “Chevy, Like a Rock”). The ZMET tool can deepen our understanding of how to

increase saving activity among LMI households. As a result, the two ZMET studies D2D has undertaken focused on how LMI consumers approach (1) money and savings, and (2) their children's financial futures.

During the summer and fall of 2007, D2D reviewed existing promotional practices of credit unions in light of its ZMET findings in order to generate insights about how savings campaigns and advertising collateral might more effectively appeal to LMI households. As part of this research, D2D collected marketing materials from 22 credit unions in an effort to develop a snapshot of the industry in terms of imagery and messaging. Key findings from this work include:

- Credit unions use a limited range of metaphors in their current marketing materials. D2D identifies only two major categories and four minor themes; in contrast, researchers have identified more than 15 core metaphoric categories that evoke emotion across cultures.
- Many of the metaphors used by credit unions evoke limited emotional response. Since emotions often drive the subconscious human decision-making process, evoking emotion in marketing material is crucial to engaging current and potential credit union members.

The ZMET and credit union analysis was presented in October 2007 to the Filene Research Council for feedback. This research brief summarizes the analysis that was presented and includes feedback from that meeting. The next step of this ongoing work is a marketing campaign pilot test that marries the expertise of credit union marketing professionals with the findings of D2D's research as summarized here. In 2008, Filene and D2D will embark on this phase of work with a handful of credit union partners looking to experiment with the messaging and images they use to promote savings products.



Nick Maynard

Nick Maynard is the Director of Innovation and New Product Development at D2D Fund in Roxbury, Massachusetts. Nick has almost a decade of experience providing operational, customer, and marketing strategy consulting to Fortune 1000 executives while at Deloitte Consulting and Braxton Associates. Since joining D2D, Nick has worked on applying the Zaltman Metaphor Elicitation Technique (ZMET) to savings in LMI households, launching prize-based savings in the credit union industry, offering U.S. Savings Bonds at tax time, and leading the financial education video game initiative. He holds an MBA from Harvard Business School and an MPP from Harvard University's Kennedy School of Government. He also holds a BSE in operations research from Princeton University.

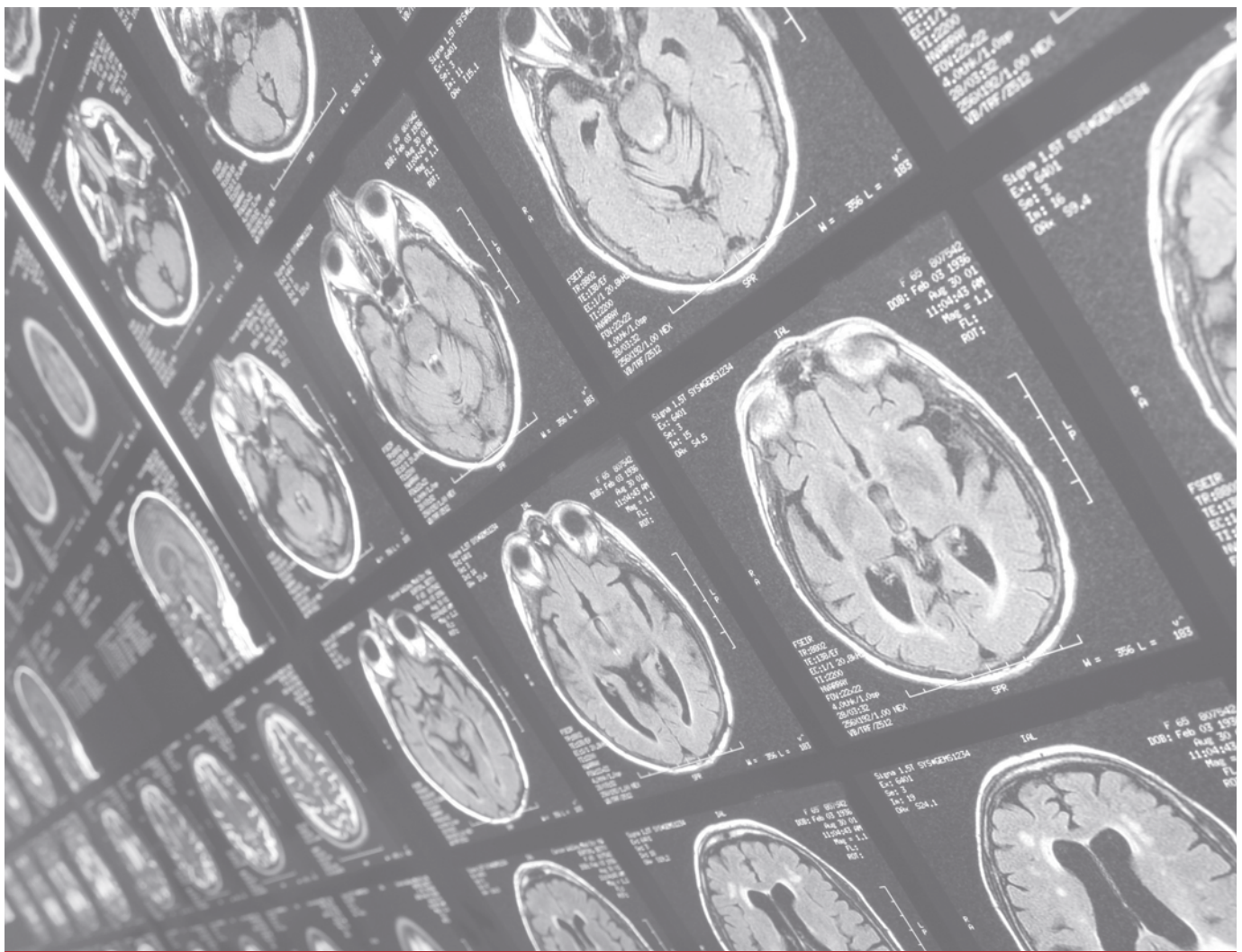


Jeff Zinsmeyer

Jeff Zinsmeyer is the Executive Director of D2D Fund and serves on the organization's board of directors. Jeff has more than 27 years of experience in community development and the financial services industry. Prior to helping launch D2D Fund, he served as the director of Community Development and Low/Moderate Income Marketing for FleetBoston Financial's Community Investment Group. Prior to Fleet's purchase of BankBoston, Jeff helped to develop and launch BankBoston's First Community Bank, where he supervised small business and real estate lending. First Community Bank is a nationally recognized urban bank that serves numerous low and moderate income communities throughout New England. Before working with First Community Bank, Jeff was a vice president of Acquisition Finance. Jeff has an MBA in finance from Columbia University, an MA in economics from American University, and a BA from the University of Southern California.

D2D Fund, Inc. (www.d2dfund.org) is a nonprofit organization that expands access to financial services, especially asset-building opportunities, for low-income families by creating, testing, and deploying innovative financial products and services. D2D works with the financial services industry, public policy organizations, national nonprofit groups, and grassroots community agencies to generate promising ideas, pilot test systems and programs, build awareness of the needs and potential of low-income communities, and advocate progressive social and economic policy.





CHAPTER 1

Introduction

ZMET applies lessons from psychotherapy, cognitive neuroscience, psychology, and sociology to discern consumers' unconscious feelings about products, brands, institutions, and the concepts on which products are based.



With the help of the innovative Zaltman Metaphor Elicitation Technique (ZMET) research technique, D2D Fund is probing the deepest, most intimate, and least well-articulated feelings of low- to moderate-income (LMI) consumers regarding money, saving, and financial services. Insights from this research will inform the development of new marketing tools, including collateral, aimed at increasing saving among LMI consumers.

ZMET applies lessons from psychotherapy, cognitive neuroscience, psychology, and sociology to discern consumers' unconscious feelings about products, brands, institutions, and the concepts on which products are based. The technique recognizes that 95% of human decision making and thinking occurs in the unconscious mind. With traditional consumer research tools like surveys and focus groups, most people are unable to articulate what genuinely motivates their behavior—what lies beyond or beneath rational thought. Equally important, human beings are primarily visual and nonverbal communicators, meaning consumer marketing is most effective when it is framed in the images and symbols that resonate deeply and cue customer action.

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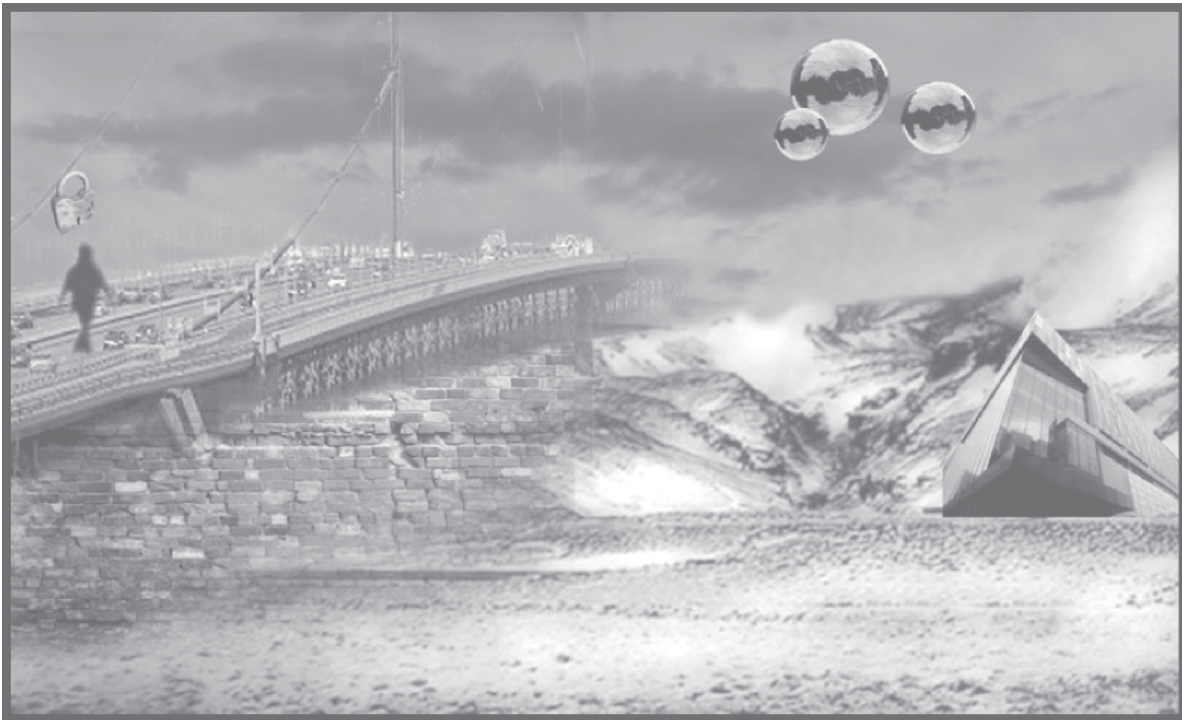
To understand these cues, specially trained ZMET interviewers probe—but never prompt—for fundamental, often unexamined, and unconscious feelings and beliefs that drive consumers' actions. Interviewees are asked to prepare for their sessions by clipping pictures that speak to them about the topic of the ZMET study in which they are involved. Using these clipped images as a guide, ZMET interviewers help consumers articulate the implicit metaphors and

archetypal images underlying their thoughts and actions in relation to the study's topic. ZMET interviews often culminate in the consumer-directed creation of a new digital image collage (Figure 1), which combines the images chosen by the interviewee in order to tell a meaningful story about a product, brand, institution, or concept.

With the assistance of trained ZMET interviewers, D2D has completed two studies of LMI consumers using this research technique. The two studies explored (1) money and saving, and (2) children's financial security. This brief reviews the research findings from the two ZMET studies completed to date.

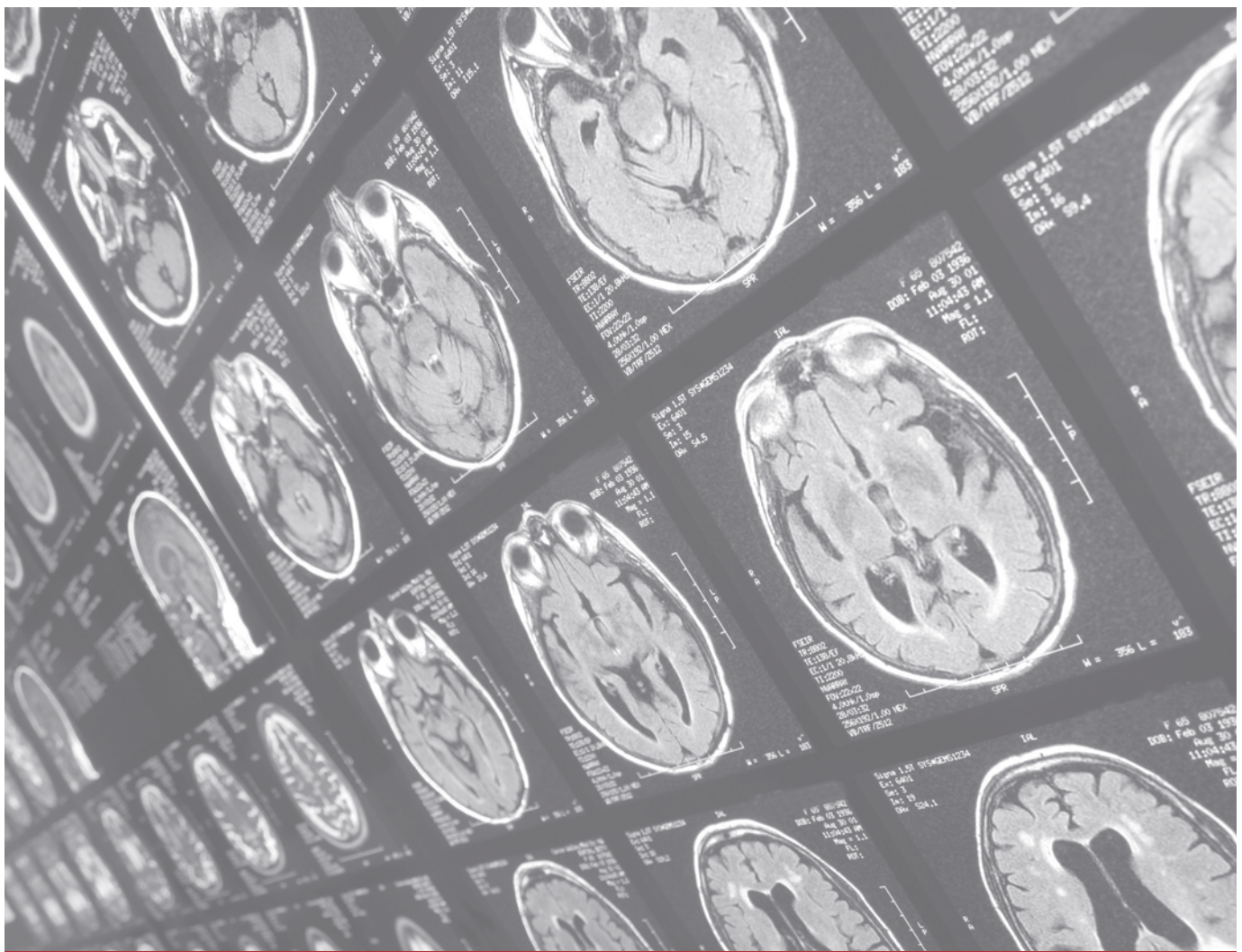
To provide context for the studies' findings, we first present our analysis of a sample of credit union savings product promotional imagery and messaging. Next we contrast our survey of current industry practice with the ZMET study findings in an effort to identify opportunities to expand the use of effective metaphors in credit union marketing materials.

Figure 1: Example Digital Image



(Source: Children's Financial Security Study)





CHAPTER 2

Credit Union Imagery and Messaging

In our sample of promotional material, we find that imagery and messaging largely concentrate on two basic concepts: utilitarian and aspirations/attainment.



Over the summer and fall of 2007, D2D completed a review of credit union imagery and messaging related to savings account promotions. To create a sample of materials for review, we contacted credit unions and requested examples of savings product collateral. We developed an initial list of target credit unions using three criteria:

- Asset size greater than \$250 million.
- Membership greater than 100,000.
- Relationship with the Filene Research Institute.

Our final sample includes 107 images from 22 credit unions.¹ Many of these 22 credit unions are part of the Filene Research Council. Upon receipt of materials, we inventoried and categorized them according to savings-related products; these included, but were not limited to, savings accounts, IRAs, CDs, and money market accounts. We did not include materials related to non-savings products such as checking accounts, mortgages, and home equity loans.

There are a number of caveats regarding the survey of credit union savings materials. Most importantly, this sample should not necessarily be considered representative or scientific. D2D was limited to those credit unions willing to respond to our request as well as those that met the criteria presented above. Our study was conducted in the summer; to the extent that materials are seasonal, we may have oversampled from collateral tied to reaching customers during the warmer months. For example, heavy use of beaches and other warm or sunny environments could reflect this seasonality.

From our sample we were able to develop a qualitative framework, the Emotional Continuum, which informed our thinking about the

¹ The contributing credit unions were Affinity FCU, Affinity Plus FCU, Baxter Credit Union, BECU, BestSource Credit Union, Bethpage, CEFCU, Centra Credit Union, Desert Schools FCU, Digital Federal Credit Union, FORUM Credit Union, Goldenwest, Langley Federal Credit Union, Local Government FCU, North Carolina State Employees Credit Union, Orange County Teachers Federal Credit Union, Patelco, Provident Credit Union, PSECU, Veridian Credit Union, Virginia Credit Union, and Wright-Patt Credit Union.

imagery and messaging prevalent in the industry.² Figure 2 lays out high-level aspects of the Emotional Continuum, which includes four categories for imagery and messaging with two dominant metaphorical paradigms: utilitarian and aspirations/attainment.

Utilitarian imagery and messaging (Figure 3) is a sizable category that includes images of money and coins, as well as individuals seemingly being more productive by being members of a credit union. This positions the credit union as a tool that a member can use to build savings and wealth. At the same time, utilitarian marketing evokes less customer emotion, as it is rational, functional, and straightforward. Perhaps the most metaphoric image noted in this thematic area is the piggy bank, but even with this potentially symbolic image, emotional connections are no deeper than feelings associated with a credit union as a place to deposit members’ money.

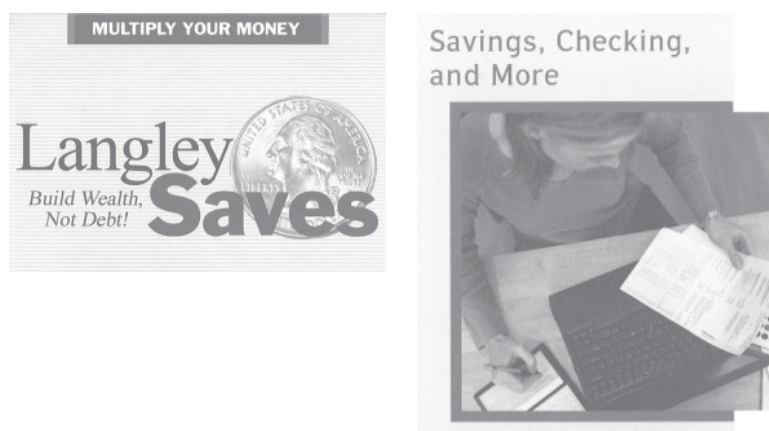
The next step toward higher emotional engagement is *growth* imagery and messaging (Figure 4). Growth imagery and messaging transforms money into something organic. Of course, a traditional financial services strategy is to emphasize account growth through compound interest, and many ads explicitly tie compound interest rates to growth images. Beyond this, credit unions use growth images

Figure 2: Emotional Continuum Framework

Customer emotional involvement	Metaphors	Subcategories	Estimated % of ads	Images
Low	Utilitarian		30%	Bills, coins, piggybanks, people working at computers
	Growth	Compound interest	13%	Plants, watering, seedlings, acorns, trees
		Planted money		
		Abstract		
	Games, journey, protection		17%	Sporting events, galoshes
High	Aspirations/attainment	Short-term satisfaction	40%	Shiny, happy people, proud graduates, close families
		Education		
		Calm, cool, control		
		Physical closeness		
		Retirement		

2 The frame of reference for assessing this material is that of the D2D research team. However, LMI households may have a different perspective when shown these images and messages. We have done our best to infuse our thinking with what we have learned from and about LMI savers.

Figure 3: Examples of the Utilitarian Category



(Sources: Langley, CEFCU)

and messages to convey the benefits of their savings products in more than functional terms; savings products are depicted as alive. In metaphorical terms, the credit union becomes a gardener or farmer helping to make money grow, with products represented as the soil or pot in which money can be firmly planted. A number of promotional materials in our sample illustrate dollar bills literally being planted in the ground.

Utilitarian marketing evokes less customer emotion, as it is rational, functional, and straightforward.

Beyond growth metaphors, we encountered a range of themes related to *games or competitions*, *journeys*, and *protection* (Figure 5). The games/competition category includes materials that reflect competition among financial institutions (e.g., “My rates can beat your rates”), simple plays on words (e.g., “5.50% APY for a sweet-sixteen months”—a reference to the NCAA basketball finals), or the “game of life.” With messages like “Climb the steps to your financial future” and images of boat steering wheels, such materials evoke emotions associated with direction and journeys. Although limited, protection images such as castles and galoshes begin to elicit emotions of safety and security.

Finally, the largest category in the Emotional Continuum framework, *aspirations/attainment*, focuses on the achievement of a variety of goals (Figure 6). One thread of this category focuses on short-term consumption goals, like saving for holidays or summer vacations. Another theme is saving for education and the accomplishments associated with graduating from college. A third

Figure 4: Example of the Growth Category



(Source: Affinity Plus)

Figure 5: Example of the Protection Category



(Source: BCU)

substantial subcategory concerns people who have achieved calm and control through knowledge and empowerment, as well as those who have a worry-free coolness around finances. A specific area of “worry-free” marketing focuses on retirement, depicting later life supported by adequate savings as the ultimate carefree aspiration. Finally, this category includes images of physical closeness between family members through hugging and cuddling, an emotional and social goal for many consumers.

As noted, in our sample of promotional material, we find that imagery and messaging largely concentrate on two basic concepts: utilitarian and aspirations/attainment. As Figure 2 reports, around 30% of promotional material falls into the utilitarian category, while an estimated 40% can be labeled as expressing aspirations. Clearly, the sample distribution is skewed toward these opposite ends of the Emotional Continuum frame-

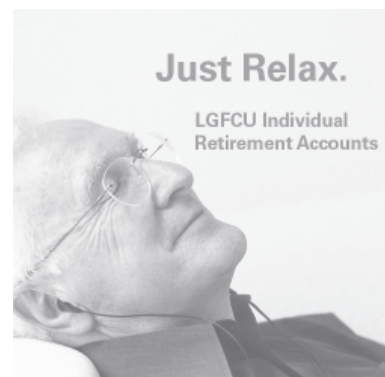
work, with only one additional metaphoric theme, growth, having been mined by the industry in any meaningful way.

Credit unions use growth images and messages to convey the benefits of their savings products in more than functional terms; savings products are depicted as alive.

In the next chapter we discuss the mind-set of LMI consumers more fully. After that we review the opportunities that exist for the credit union industry to

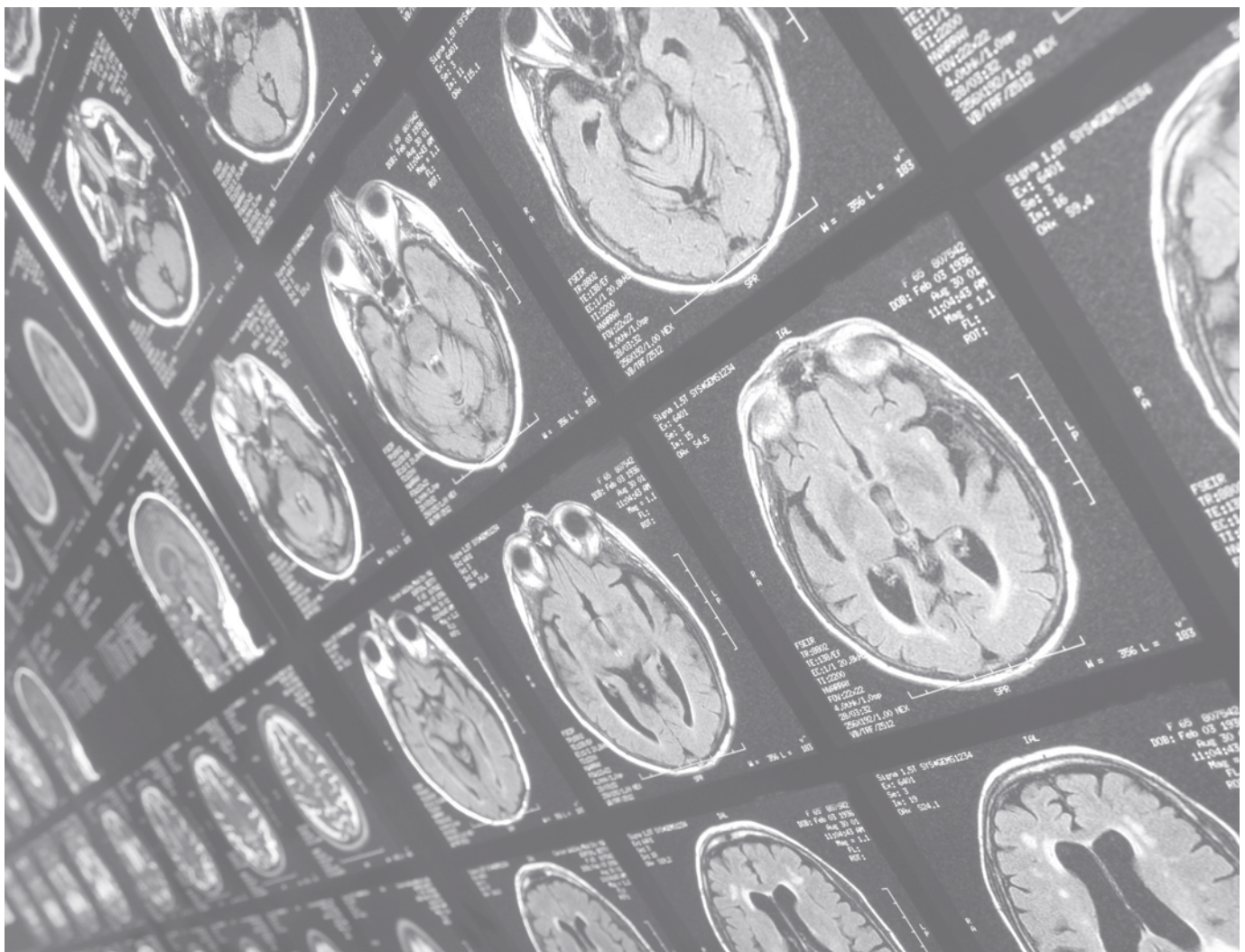
expand the use of savings-related metaphors to evoke an emotional customer response.

Figure 6: Examples of the Aspirations/Attainment Category



(Sources: Patelco, LGFCU)





CHAPTER 3

ZMET Market Research

ZMET study participants assemble stories from feelings and thoughts buried deep in their subconscious minds. In turn, researchers identify patterns across a sample of participants in order to identify metaphors with wide resonance.



As mentioned at the outset, ZMET expands marketers' toolkits beyond customer surveys and focus groups in order to probe the 95% of the human mind that drives decision making. ZMET study participants assemble stories from feelings and thoughts buried deep in their subconscious minds. In turn, researchers identify patterns across a sample of participants in order to identify metaphors with wide resonance. Individual interviews culminate in each participant developing his or her own digital image collage that represents through pictures how the participant feels about a research topic.

Research Design

D2D has broken new ground by using the ZMET technique to consider how to help LMI families save money. In its most often applied form, the ZMET research design consists of a single topic reviewed with a 12-participant sample.³

As noted, D2D conducted two research studies utilizing the ZMET technique. Our goal was to better understand the attitudes of LMI households toward money and savings. Figure 7 summarizes the study topics, sample sizes, and demographic composition.

Both studies were dedicated to better understanding how participants think and feel about money and savings. Within that framework, each study concentrated on different broad demographic characteristics that were posited to influence savings attitudes. The size of study one allowed us to examine differences between male and female participants as well as parents and nonparents. Study two focused exclusively on female parents.

In study one, the sample included limited ethnic minority representation outside of African Americans. Because metaphoric truths tend to cut across cultures and ethnicities, however, our findings may

3 For more on the ZMET Technique, see *How Customers Think: Essential Insights into the Mind of the Market*, by Gerald Zaltman (Harvard Business School Press, 2003).

Figure 7: Research Study Samples⁴

Study One: Money and Savings	Study Two: Children's Financial Future
<ul style="list-style-type: none"> • 27 one-on-one, 2 hour interviews <ul style="list-style-type: none"> – 8 Female Parents – 6 Female Non Parents – 7 Male Parents – 6 Male Non Parents • Across the group: <ul style="list-style-type: none"> – Income Level – 15,000 to 35,000 USD per year – No Full Time Students – 16 African Americans, 9 Caucasian Americans and 2 Other – 6 under 35 year olds, 12 35-50 year olds and 9 over 50 year olds 	<ul style="list-style-type: none"> • 14 one-on-one, 2 hour interviews <ul style="list-style-type: none"> – 14 Female Parents, all with children under the age of 18 – Income Level – 15,000 to 35,000 USD per year – No Full Time Students – 3 African Americans, 7 Caucasian Americans, 3 Latin Americans and 1 Bi-racial – Mostly between the ages of 23 and 35 (except for one woman who was 39)

apply to a variety of perspectives. Where insights appear to be influenced by the specifics of a given culture—around social networks, for example—our findings may not fully apply to other ethnic or racial groups.

Study one focused on gender and parental status differences:

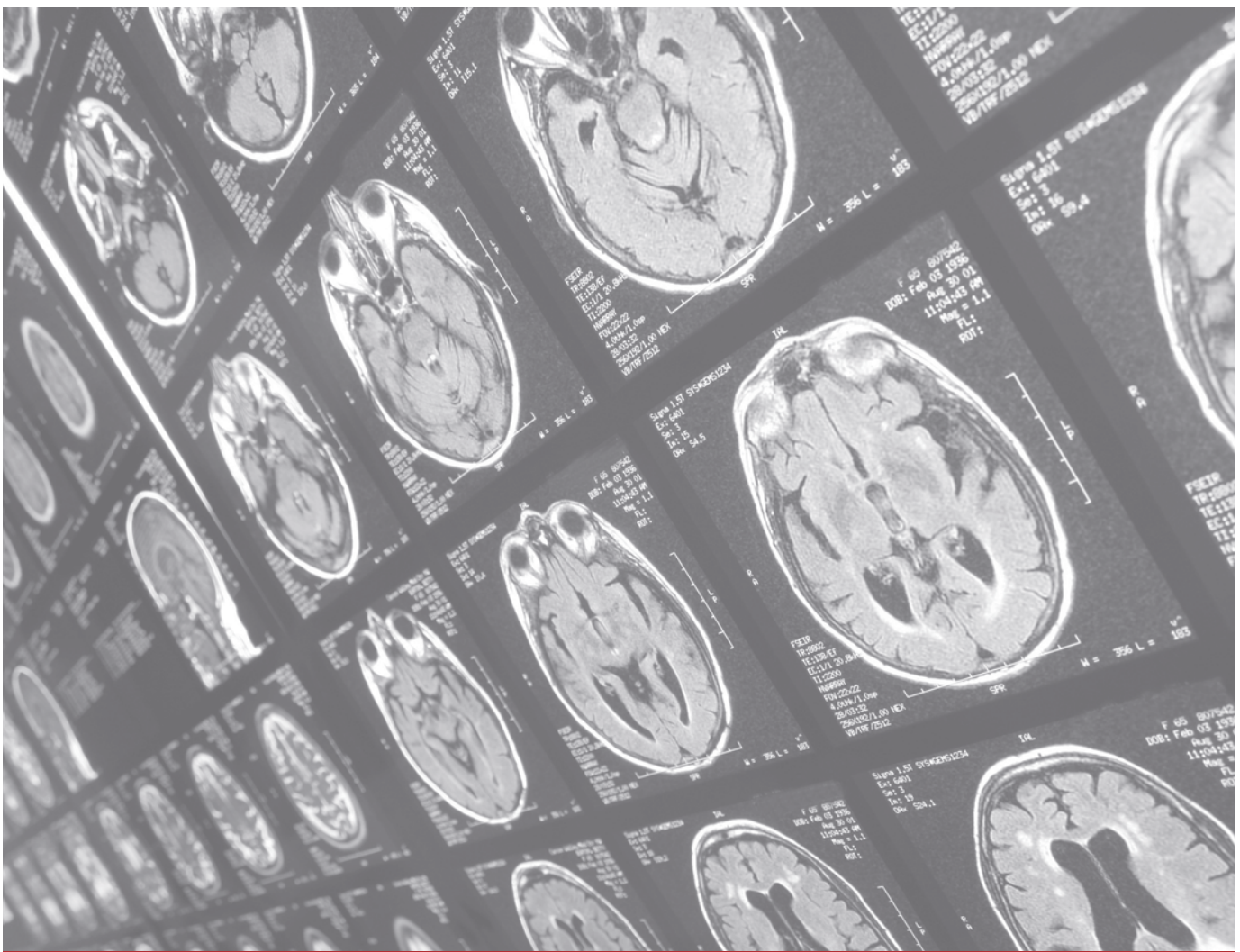
- Study participants were asked to choose six to eight pictures that described their thoughts and feelings about money and savings.
- During the interview, participants were asked to:
 - Imagine a character—a person or institution—that they would trust for advice about money. What type of person would they imagine?
 - Imagine a character—again, a person or institution—that they would *not* trust for advice about money. What type of person would they imagine?
 - Consider which of these characters they would be more likely to relate well to. With whom would they prefer to spend time?

Study two concerned mothers and their relationship with their children:

- Study participants were asked to choose six to eight pictures that described their thoughts and feelings about their children's financial needs for the future.

4 Olson Zaltman Associates has concluded that there is compelling empirical evidence that eight conventional one-on-one, one-hour interviews are as effective as eight focus groups involving 64 consumers. Ten to twelve minutes of average individual "airtime" per focus group participant generally does not facilitate deep thinking; rather, it often produces multiple versions of an idea but with little depth of insight. (From "The Voice of the Customer," by Abbie Griffin and John R. Hauser, Marketing Science Institute, 1992.)

- During the interview, participants were asked to:
 - Imagine a character or person who saves money. What type of person would they imagine?
 - Imagine a character or person who does not save money. What type of person would they imagine?
 - Consider which of these characters they would relate to more easily. With whom would they prefer to spend time?



CHAPTER 4

Research Findings

Further complicating the task facing financial services marketers is the success of retailers and consumer product marketers in framing spending as a form of saving. Billions of advertising and marketing dollars have effectively persuaded many consumers that buying items on sale is a shrewd form of saving.



Thoughts and Feelings about Money

Study one found that money, like water, is both a resource and a destructive force for LMI families. Images of boats in a calm inlet and waves crashing against rocks exemplify this idea. In the words of one participant (describing an image):

This one has the ocean and the waves crashing against the rocks. That could be like having a rough time with money and going haywire with the money, and everything is just crashing forth, and there's no calmness in there. If you're not careful with the money, everything can start smashing everything. And then you're lousy and you're not happy, and it messes up the whole situation. It actually can change a personality.

For LMI families, there is no relief from stress about money. Money is a constant source of anxiety and worry stemming from concerns about how bills will get paid or what will happen if the cash runs out.

Given their income and financial reality, parents emphasize that they have trouble providing basic necessities for their families. Interestingly, much of the imagery tied to this financial struggle is linked to mealtime, suggesting difficulties in budgeting for food and providing children a balanced diet.

D2D found that money impacts all aspects of study participants' lives, including their (1) identities, (2) finances, and (3) social networks. In terms of *identity*, LMI individuals describe how money-related stress can change people's personalities, making them anxious, depressed, or desperate, and often bringing out their "dark side." With regard to *finances*, LMI households struggle to meet even basic needs. Beyond physical survival, many study participants complain that their lack of financial resources leads to social isolation from loved ones and friends. In this way, finances

Money, like water, is both a resource and a destructive force for LMI families.

Figure 8: LMI Parents Struggle to Meet Basic Needs

"I feel like this is me and my husband and my kids because I have one boy and one girl. They're all sitting around able to eat just at the table. They're having tacos, which is a simple meal, but they're able to sit down and eat. And I feel like in order for me to have this, I need to have money to put food on the table. And that's a struggle every month."



impact the *social networks* and interactions of LMI adults. Men in particular report feeling invisible and unattractive without money.

Thoughts and Feelings about Savings

Study one also explored how LMI individuals think about savings. Participants articulate a number of barriers to saving. First, the process of saving is not a lesson learned during childhood in many LMI families. Many individuals have simply never saved money before. Second, those heading LMI households are overwhelmed by life and by living paycheck to paycheck. Their precarious financial situa-

Men in particular report feeling invisible and unattractive without money.

tion leads to a constant state of anxiety, clouding judgment and creating powerful incentives to avoid facing financial problems or planning for the future.

Third, with checkered and sometimes tragic histories, participants are wary of planning for an uncertain and seemingly distant future. Long-term goals seem unattainable, rendering saving behavior futile. Finally, atop all this sits a social stigma around saving; in many low-income social networks, strong pressure exists to share any resources and lend savings to those in need, especially family.

Further complicating the task facing financial services marketers is the success of retailers and consumer product marketers in framing spending as a form of saving. Billions of advertising and marketing dollars have effectively persuaded many consumers that buying items on sale is a shrewd form of saving. With a pervasive consumerist culture, LMI consumers face omnipresent and tempting spending

Figure 9: Savings Framed through the Lens of Spending Money at a Retail Sales Event



“Twenty-five percent to 80% off storewide. You could save a lot of money.”

options. Understanding the degree to which consumption undermines saving, several interviewees express feelings of guilt about their personal spending behavior.

The study also explores the idea of trust, with participants being asked to imagine characters they trust and do not trust when seeking advice about money. In terms of distrust, the character most often chosen by interviewees is a financial institution or financial services business. When asked for images of untrustworthiness, interviewees produce pictures of snakes, hawks, vultures, and wolves. Asked to describe characteristics of those they do not trust, study participants cite people who talk too fast, use too much jargon, overload them with information, and are motivated by a blatant self-interest.

Further complicating the task facing financial services marketers is the success of retailers and consumer product marketers in framing spending as a form of saving.

In terms of trust, credit unions may have a leg up on other financial institutions. As suggested by the “Trust” quote in Figure 10, LMI consumers are more open to messages from people or institutions who “get them”—their challenges, needs, and aspirations—and may be more apt to view nonprofit, membership-based credit unions as in tune with their needs. Study participants report trusting people they can relate to, people who “speak their language,” and people who know where they are coming from. For male participants, trust is also bestowed on those who appear able to cope with and manage the emotional fallout of their financial situations.

In terms of distrust, the character most often chosen by interviewees is a financial institution or financial services business.

Despite a lack of resources, societal pressure, and distrust of financial institutions, LMI participants nevertheless express a strong savings

Figure 10: Imagine a Character, Person, or Institution You Would Trust/Not Trust for Advice about Money

DISTRUST	TRUST
(Participant referring to a picture he/she brought in of Brutus from Popeye)	(Participant referring to a picture he/she brought in of SpongeBob Squarepants)
“You go to the bank, you go to see Mr. Brutus, and he says ‘I’ll pay you a half a percent interest if you leave \$10,000 here all the time.’ If you want checks, they’ll charge you a fee. ‘Meanwhile, I’m going to make 10% on your money, but I’m only going to give you a half of a percent. And then out of that half of a percent, if you don’t keep enough money here, we’re going to charge you a fee every month and we’re going to charge you a fee to use the machine,’ and that’s going to make it very difficult for people to save money.”	“He’s outgoing, he’s friendly, very generous, funny, loving, caring, so if I needed Boston Credit Union to be a character, I think SpongeBob just because he’s very generous and has a lot of resources. He’s a sponge; he absorbs everything.”

aspiration. The object of participants’ aspirations is often a short-term goal linked to spending and consumption, such as a car or vacation.

However, many women emphasize long-term investment goals.

Female parents in the study are most likely to focus on savings and emphasize goals such as homeownership or providing an education as a foundation for their children. In contrast, female participants without children emphasize saving for a new stage in life, such as marriage or having children. However, when discussing these goals, they seem unable to elaborate with details, a plan of action, or a road map.

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In terms of metaphors, participants compare saving money to nurturing life. Figure 11 illustrates the key metaphors discussed:

- Growing: “It builds on it. It’s like a ladder. If you do the right things with your money, it will multiply.”
- Harvesting: “A picture of harvest time and reaping the rewards of saving money.”
- Sacrificing: “It’s not going to be easy. You’ve got to get your hands dirty.”
- Protecting: “So this is what I need to protect my money. Because I don’t know how.”

Figure 11: Savings Metaphors

GROWING



HARVESTING



SACRIFICING



PROTECTING



Study one generates foundational insights into the LMI mind-set regarding money and savings. In reviewing the findings from the four segments in the study—female parents, male parents, women without children, and men without children—female parents have the most robust savings mental constructs. The research suggests that parents, especially women, can be motivated to save for their children. The welfare of one’s children is an instinctive parental concern rather than a voluntary, chosen goal. Young kids are a “clean slate” where parents find their own dreams unhindered by past mistakes or

The study suggests that LMI mothers are most likely to respond to a marketing strategy that emphasizes dreams, provided the dreams depicted are ones they care about and can visualize.

chronic present-day financial anxiety. Children, families, and education appear repeatedly in digital images created by study participants.

In light of these findings, D2D embarked on a second study focused on female parents. Our hypothesis was that marketing innovation might be most effective if targeted at LMI female parents. We also recognized an emphasis in the credit union industry on aspiration marketing; this might be a good match for female parents who, of all study participants, are the most reality-based in terms of dreams and aspirations. Having children provides both motivation for modeling financial discipline and a goal for saving money (to pay for future education expenses, child-rearing, etc.). The study suggests that LMI mothers are most likely to respond to a marketing strategy that emphasizes dreams, provided the dreams depicted are ones they care about and can visualize.

Thoughts and Feelings about Children's Financial Future

Study two concentrates on the thoughts and feelings LMI mothers have about their children's financial future. The digital images these participants create reflect the overall themes and ideas expressed throughout their interviews. Study participants imagine their children's financial future as a transition from a dark, scary world to a happier, brighter place. These mothers create digital images of happy people, yet with predators lurking in the background.

LMI mothers view themselves as a resource for their children, and many are anxious about their ability to provide both necessities and other items to support their children's growth. Mothers in study two report feeling the greatest satisfaction when they feel they are providing for their children in key moments. They feel these moments

Figure 12: Digital Images from the Female Parent Children's Financial Security Study

Transition from a dark, scary world to a happier, brighter place



Happy people but with predators lurking in the background



forge an emotional bond with their children and generate a “high” that reenergizes them. Images shared by study participants include many depictions of physical closeness between mother and child, as well as among other family members. However, study participants also feel anxious, concerned that time is moving too quickly and that they might not be ready to provide at key moments in the future.

Mothers also express big hopes and dreams for their children, including that their children obtain a quality education, succeed at work, create a stable, loving family, and one day own a home. Most importantly, study participants want their children to avoid feeling the same anxiety and stress about finances that they feel. In the words of one participant describing an image she created:

I hope for my kids and their financial future. I hope that they don't let nothing stop them. This explains that the sky is the limit, as far as just go, you know, just reach for the sky. Like go as far as you can go, don't stop. As much as you can get educated, to get educated; as far as you can work yourself up at your job, just go for it. Like they're floating on top of the world—just happy, excited. I made it, you know, floating around in the clouds and the sky—it sounds corny.

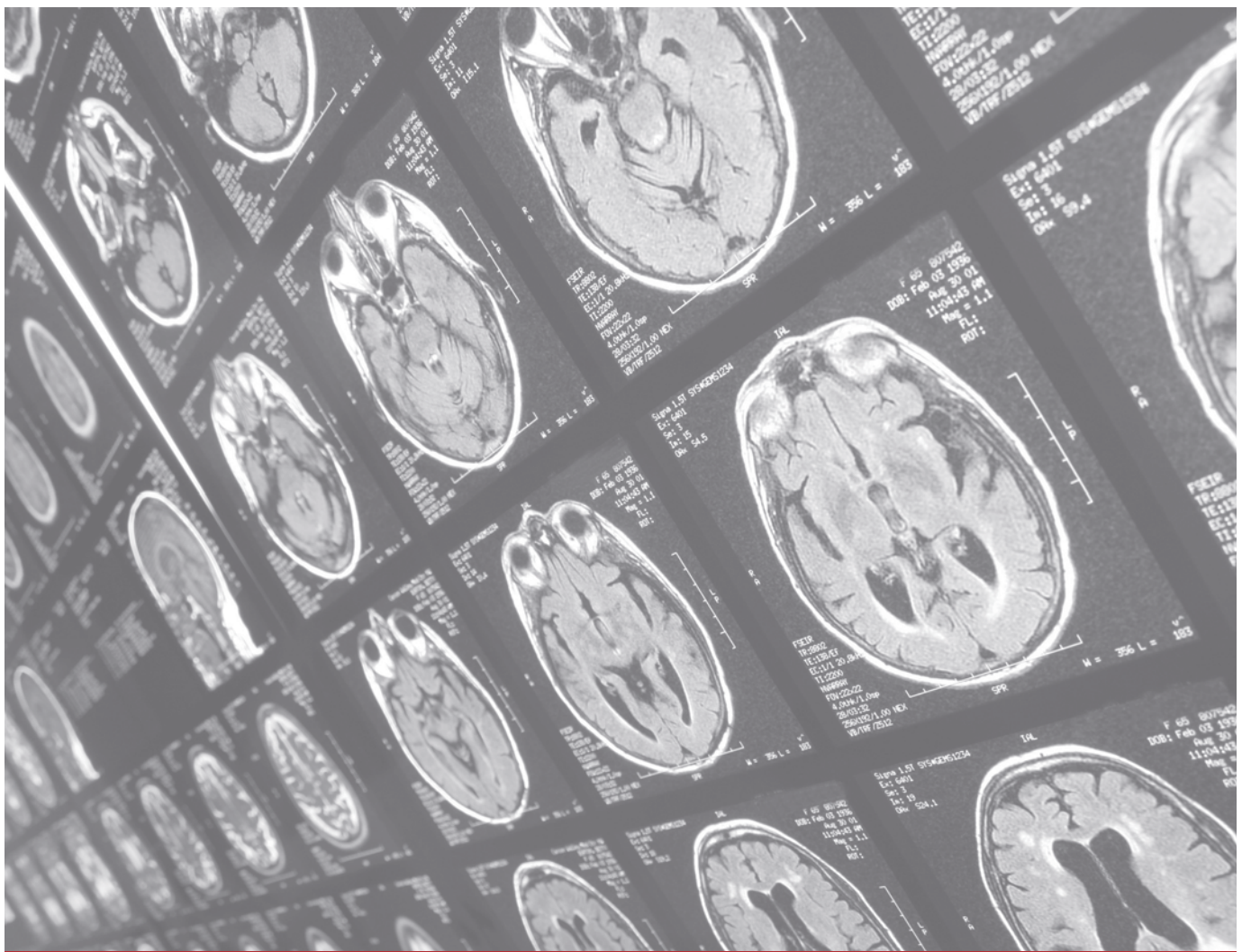
While dreaming big dreams for their kids, study participants feel emotionally and physically drained by their responsibilities. These mothers feel lost and confused when planning for the future. They see themselves alone on a path, trying to make decisions about where to go. At the same time, study participants are practical and realistic, knowing that they cannot lose hope or control. Ultimately, LMI mothers keep going because they know they are responsible for their children.

LMI mothers frame saving for their children's future as a precarious journey. They envision big hopes and dreams on the horizon, but many of those hopes and dreams seem distant and unreachable. They feel lost and do not know how to take the first step.

Figure 13: LMI Mothers Planning for the Future



“It’s hard; it’s very hard being a single mom, but it’s not an option. Like, I don’t have a choice. Some people may say that, you know, it’s a choice. It’s not a choice. I don’t see the option of not being there. I have to do everything by myself, from when they were born until my oldest is going on 16. Like, the financial aspect is very difficult—to take care of five kids and still save for education for the future, pay bills and clothes and activities; it’s a lot. I go through my ups and my downs, but I don’t let it get me down. I can’t get depressed; I don’t have time.”



CHAPTER 5

Metaphor Implications

To enable our findings to achieve impact in the financial services space, D2D must subject them to the scrutiny of experienced industry professionals and disseminate what is learned in a form that will invite others to apply it.



Given the findings of these two research studies, D2D believes an opportunity exists in the credit union industry to expand the use of metaphors in marketing imagery and messaging. The assessment of marketing materials reveals the limited range of metaphors in use today; the industry focuses on two primary categorical areas—utilitarian and aspirations/attainment. More importantly, the images depicted in the sizable aspirations/attainment category reflect goals that may seem unattainable, unrealistic, or irrelevant to LMI families.

Credit unions have an opportunity to explore both positive and negative metaphors as a way to reach LMI families. Many of the positive metaphors are captured in Figure 14, yielding messages such as “money keeps you safe” or “money makes you a winner.” Negative metaphors can either (1) show empathy with the plight LMI families face (“We know it’s hard to find the right path, but take the first step with us”), or (2) instill fear as a motivator in key moments to spur action around savings and financial planning (“With the right savings plan, you’ll be ready”).

Figure 14: Expanding the Use of Metaphors

Current industry metaphors	Proposed metaphors from research findings
I Utilitarian	VII Movement/Transfer (running a race, free movement)
II Growth	VIII Parenting/Child-rearing
III Games	IX Liquids (destructive force, contained)
IV Journeys	X Food/Drink
V Protection	XI Money and identity (makes me strong, calm)
VI Aspirations/Attainment	XII Connection to others (allows me special moments)
A Short-term satisfaction	XIII Mother metaphors (be ready, journey of saving)
B Education	
C Calm, cool, control	
D Physical closeness	
E Worry-free retirement	

Filene Research Council Meeting

On October 4, 2007 Representatives from D2D and Olson Zaltman Associates presented the initial research findings of the project described in this report to the Filene Research Council. Examples of marketing imagery and messaging based on these research results were presented (see Figure 15). These examples arise from the research findings and an effort to appeal to an audience of primarily female parents. The objective is to present a dream (e.g., homeownership) in a way that feels accessible, not too complex, and not too far away. Another goal is to link parenthood to the dream—that is, saving is about family and children. The message acknowledges that saving is hard work but that one must take a first step on the savings “journey.”

At the end of a 90-minute presentation, council members had questions and comments. A representative question and comment are provided here:

Question: *How can you say that an image has the same meaning for two (or more) people? For instance, how can you tell us that many people who would look at the image of the little girl peering into the forest expresses the fear of beginning a precarious journey?*

Answer: *This is an understandable source of confusion. ZMET does not rely on the pictures as much as the language that is used by the participants to describe the image. The actual words of the participant are transcribed and these are compared to all other participants in the study group to derive common themes. So, it is correct that each*

Figure 15: New Marketing Material Example



individual may interpret similar pictures in vastly different ways, but it is the interpretation, the actual wording, which is used to tease out meaning and search for similarities among participants.

Reaction: *In looking at the aspiration/attainment images from the credit union sample, it is striking how many seemingly “stock photos” one sees. The images of people seem fake, not genuine. They look like models, not our actual customers. I can see how some of our customers might have trouble identifying with the advertisements.*

The Path Forward

D2D believes this research can have an important impact for the credit union industry and for hard-working LMI families. In the corporate world, ZMET studies inform product designs, suggest ways to position or reframe products, reveal themes and imagery for marketing campaigns, and generate raw consumer feedback from which to develop new business strategies. To enable our findings to achieve impact in the financial services space, D2D must subject them to the scrutiny of experienced industry professionals and disseminate what is learned in a form that will invite others to apply it. The ultimate learning opportunity, we believe, will be to apply our findings to a real-world marketing campaign designed to attract savings deposits by LMI credit union members and prospective members.



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