

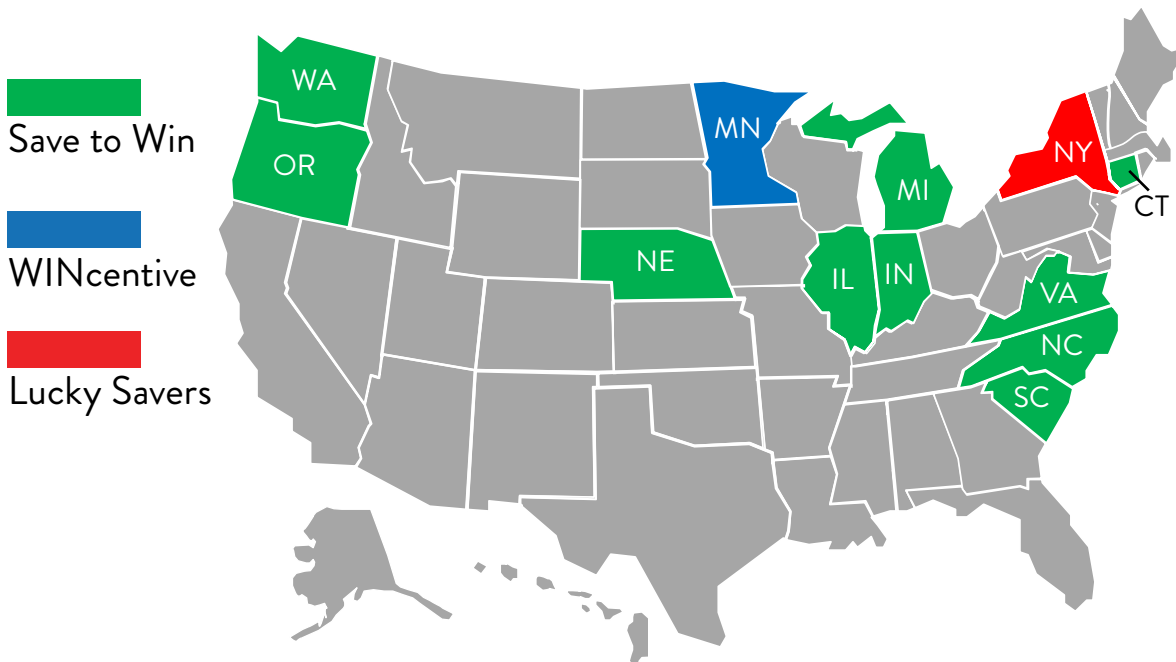
Prize-Linked Savings in Credit Unions in 2016



In 2016, Prize-Linked Savings (PLS) products expanded rapidly, doubling the number of states with PLS products from 6 to 12. Two new branded products - Lucky Savers (LS) in New York and WINcentive Savings Accounts (WSA) from the Minnesota Credit Union Network - were launched. These new launches and the expansion of Save to Win (STW) led to over 3.3 MM people now having access to PLS products.

Along with this exciting growth, the most financially vulnerable families continued to be served. More than 80% of the people using a PLS product were financially vulnerable and saved an average of \$2,429 - higher than the \$400 average amount needed to cover financial emergencies.¹ As members continue to build savings, 62% report that they are more likely to use other financial products.

STATES OFFERING PRIZE-LINKED SAVINGS



PRIZE-LINKED SAVINGS 2009 - 2016

Over \$175,000,000

cumulative savings in accounts
since launch

\$2,429

average saved in account

25,262

winners since launch

Over 75 Thousand

cumulative individual
accounts since launch

\$2.37 Million

total prizes awarded to
winners

Key Highlights for 2016

153
Credit Unions

12
Participating
States

28,453
Accounts

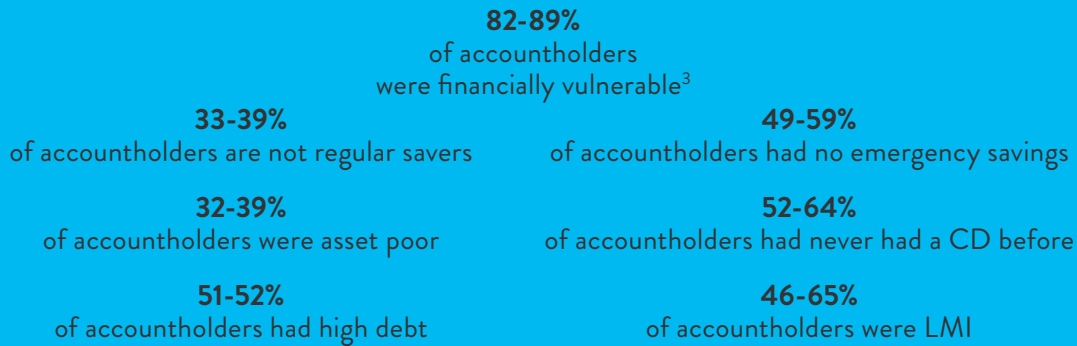
\$69,115,553
Saved

5,406
Winners

82-89%
Financially
Vulnerable

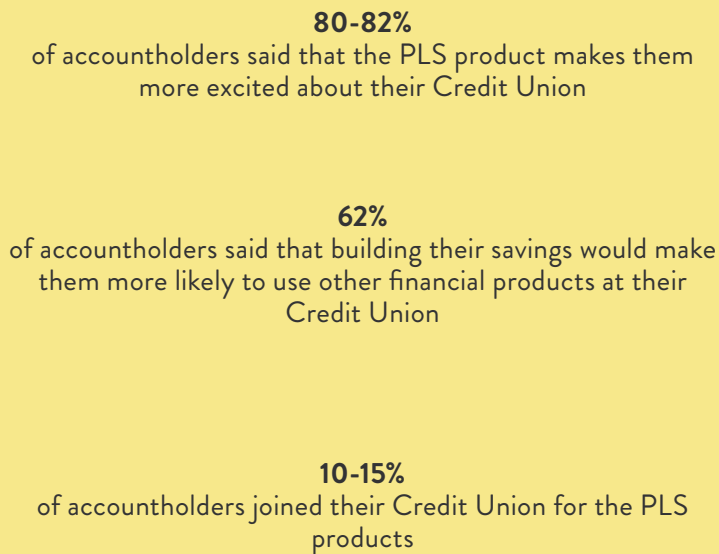


ACCOUNTHOLDER DEMOGRAPHICS²



“I would definitely recommend other Credit Unions look into using WINcentive; it is a fun product with lots of potential for member engagement”

EFFECTS ON CONSUMER RELATIONSHIPS WITH CREDIT UNIONS



“A benefit of the account is exposure to current and potential members. The product has helped in retaining members that may have otherwise closed their accounts.”

**-Representatives
from participating
WINcentive Credit
Unions**

This paper was prepared by members of the Commonwealth team. Commonwealth's Prize-Linked Savings work has been made possible by generous contributions from the Ford Foundation, MetLife Foundation, and W.K. Kellogg Foundation. Additionally, we would like to acknowledge the tremendous work of the Michigan Credit Union League, the Carolinas Credit Union League, the Northwest Credit Union Association, the Nebraska Credit Union League, the Credit Union League of Connecticut, the Virginia Credit Union League, the Minnesota Credit Union Network, the New York Credit Union Association, and participating credit unions in each state making Save to Win, Lucky Savers, and WINcentive successful and increasing savings in their communities.

For more information on Commonwealth's Prize-Linked Savings work, visit us at buildcommonwealth.org/work/prize-linked-savings

¹\$400 is the estimated cost to cover an emergency taken from the Federal Reserve's "Report on the Economic Well-Being of U.S. Households" in 2015

²Calculations range from the lowest to highest between products.

³Financial Vulnerability is defined as accountholders who are not regular savers, asset poor, low to moderate income, had high debt, or had no emergency savings