

Scratch and Play!

2015 SaveYourRefund Campaign

SAVEYOURREFUND
SAVE SMALL ★ WIN BIG
PRESENTED BY D2D FUND



Insights from Using Lottery & Game-inspired Savings Tools

SaveYourRefund is part of a broader portfolio of work by Doorways to Dreams Fund (“D2D”) to help Americans build financial reserves by incentivizing savings. SaveYourRefund is a successful national campaign encouraging savings at tax time, when households making less than \$50,000 claim \$100 billion in federal tax refunds each year¹. The campaign creates a fun and rewarding experience to inspire financially vulnerable households to use the moment of claiming a refund as an opportunity to save. SaveYourRefund is a win-win opportunity combining the thrill of the lottery with the safety and assurance of savings.

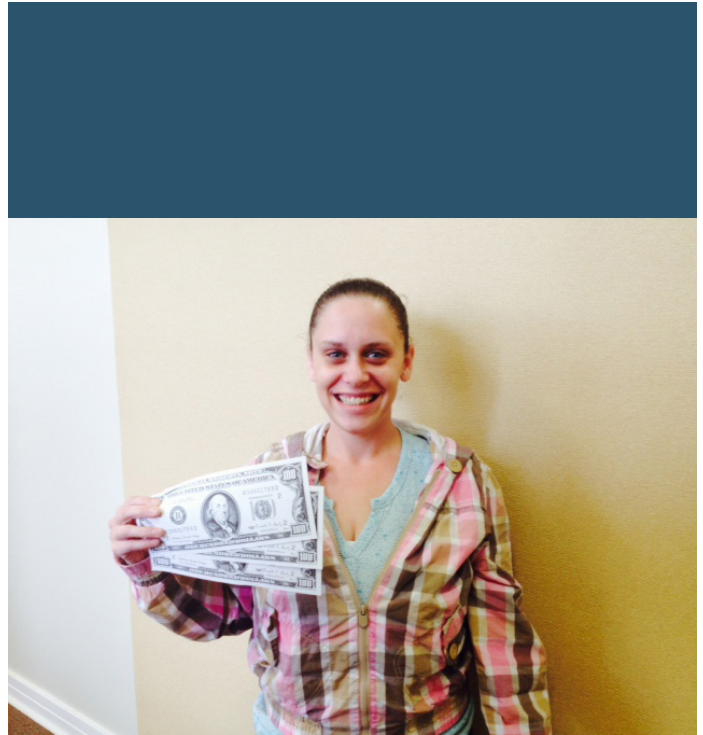
During the 2015 tax filing season, D2D tested new engagement techniques. This report summarizes the 2015 SaveYourRefund campaign, describes the new approaches we tried, provides campaign results, and shares insights gained.

What did we continue doing during the 2015 campaign?

SaveYourRefund continued to work closely with community programs providing free income tax return preparation through VITA sites (Volunteer Income Tax Assistance). D2D provided participating programs training, marketing materials, and technical assistance. Five of the VITA partners served as an Advisory Council to provide guidance, insight, and recommendations for the training and delivery of the campaign as well as feedback regarding opportunities for scaling up the effort to reach more consumers.

Partner VITA sites encouraged their return preparers – who are most often volunteers – to highlight for taxpayers the ability to split direct deposit of a refund among multiple accounts using IRS Form 8888. Taxpayers who did so with at least \$50 put into one of six qualified savings vehicles (including savings accounts, bonds, or prepaid cards) could register at www.saveyourrefund.com for a chance at a weekly cash prize. Entrants could also submit a picture of their savings goal in a grand prize photo contest. During the 2015 tax season, 100 people each won \$100 in the weekly drawings, and one was selected as the winner of the \$25,000 grand prize.

¹ Data from the Internal Revenue Service (<http://www.irs.gov/pub/irs-soi/09in33ar.xls>)



Mary Bunch, who had her returned prepared at a Florida Prosperity Partnership tax site, won the grand-prize of \$25,000 for her photo contest entry describing her journey from homelessness and her goal to save for a minivan for her family.



What new did we try in 2015?

To see if new methods of engagement could promote greater participation in SaveYourRefund, this year's campaign tested two tools: a lottery-style Instant Win Scratcher, and a Game Board (with a Golden Ticket goal) to create a "gamified" experience during tax return preparation.



Instant Win Scratcher

D2D has learned over the last ten years that people love the thrill of a game of chance, and even small prizes can provide energy for immediate saving participation. D2D's research shows that people who win a prize for saving are likely to continue to save; many of these people develop a savings habit².

At participating partner sites, taxpayers entering SaveYourRefund received not only the entry in the weekly prize drawing but also a scratch-off ticket with the opportunity to win \$5 cash on the spot.

Rochester CASH (NY) offered Instant Win Scratchers at one of its large "super sites" but not at any of its other locations. Maryland CASH offered Instant Win Scratchers at all eleven of its sites.

² D2D Fund. A Win-Win For All: Growth of Save to Win in Michigan. Rep. Doorways to Dreams Fund, 27 Oct. 2011. Web. <http://www.d2dfund.org/files/publications/11_STW2011_Report_lo-res_single.pdf>.

Game Board with Golden Ticket

Another aspect of D2D's insights into game play is that gamified elements can transform a drab, confusing experience (such as tax filing) into a more enjoyable and exciting one. These elements can include competition to achieve higher levels and goal-oriented rewards.

The gamified tool was an 8x11 inch full-color Game Board (customizable by the partner program) designed around the strongman carnival game with five levels corresponding to the steps for participating in SaveYourRefund:

- JUGGLER: "Enter savings goal in goal circle" (the bell to ring atop the column)
- ACROBAT: "Enter refund amount in space to the right"
- LION TAMER: "Write how you will split your refund in space to the right"
- CARNIVAL RINGMASTER: "Enter to win \$100 weekly prizes"
- GOLDEN WIZARD: "Pick up a golden ticket for a shot at \$25,000!"

The Golden Ticket reward highlighted the availability of the \$25,000 grand prize photo contest and provided instructions on how to enter.

CAP Utah, Southern Chautauqua Federal Credit Union (NY), and Fremont Family Resource Center (CA) used the Game Board at all of their tax sites, distributing approximately 560. Spanish-language versions of both the Game Board and Golden Ticket were available at sites with high concentrations of Spanish-speaking taxpayers.





Evaluation Tools

D2D was able to gather information about the impact of SaveYourRefund using a combination of administrative data from the SYR database, surveys, and partner site visits. A question at the end of the www.saveyourrefund.com registration form asked whether the taxpayer was planning to save a portion of his or her refund prior to learning about SaveYourRefund. Responses to this question were used to understand SaveYourRefund's ability to create new savings at tax time. Some of the partner programs collected information from consumers regarding financial habits and demographics, and D2D conducted site observation and interviews with partner staff to better understand the way in which SaveYourRefund was being incorporated into the tax filing process at VITA sites.

What were our results?

The table below summarizes data from the tax sites that tested the new engagement techniques and compares it to the results of the standard SaveYourRefund campaign in 2015:

	Instant Win Scratcher Sites	Game Board Sites	Advisory Council Sites	All Other SaveYourRefund Sites
# of participating tax sites	12	15	26	N/A ³
# of SaveYourRefund entrants	226	443	965	1,197
Total SaveYourRefund savings	\$173,188	\$278,113	\$699,666	\$942,859
Average amount saved	\$766	\$628	\$725	\$788
# of newly-incentivized savers ⁴	82	172	78	430
% of savers who were newly-incentivized ⁵	41%	40%	28%	38%
Newly-incentivized savings	\$56,527	\$62,990	\$41,611	\$207,447
Average newly-incentivized amount	\$689	\$366	\$534	\$482
Average portion of refund saved	28%	29%	27%	35%
# of Savings Bonds purchasers	150	78	537	256
% of entrants purchasing Savings Bonds	66%	18%	56%	22%
Total value of Savings Bonds purchased	\$25,000	\$14,113	\$172,829	\$44,800
Average Savings Bonds purchase	\$167	\$181	\$322	\$169

³ The remaining tax sites were part of the other 70 community programs that promoted SaveYourRefund during 2015. The exact number of SaveYourRefund participating tax sites that these organizations represented is unknown.

⁴ This refers to savings by taxpayers who were not planning to save when they came to the tax site based on responses to the optional question at the end of the online registration form. Of those responding, 37% answered they have been planning to save. In estimating the total number of newly-incentivized savers, we generalized this 37% to the total SaveYourRefund population and assumed they saved in the same average amounts as the affirmative respondents.

⁵ These percentages represent the number of participants who answered "No" to the question "Did you intend to save your refund before learning about the SaveYourRefund promotion?" out of the total number of participants who answered the question.

What insights did we gain?

Instant Win Scratchers were well-liked. From a satisfaction standpoint, clients and volunteers liked using the Instant Win Scratchers. Testimonials indicated people were excited to see someone win and that brought attention to saving a portion of their refund. At Rochester CASH, a “Winners Board” posted at the front of the site showcased the names of winners (along with the winning tickets themselves). Site managers said these fun reminders started conversations with customers and were a useful way of rewarding people on the spot.

The Game Board was useful as a reminder to save. Taxpayers liked having the tangible reminder of the opportunity to save at tax time. In this way, it was useful as a general communication device at sites. As one survey respondent said: “Please, continue to post the Game Board as a reminder for us to save.”

Volunteer engagement and buy-in is key. When partner program Prepare + Prosper (MN) asked volunteer preparers this year about their experience promoting SaveYourRefund, 45% of the 225 respondents said they chose not share the opportunity because they did not think the taxpayers could afford to save. However, 83% of 129 SaveYourRefund survey respondents indicated their decision to enter was because of a conversation with their tax preparer. In other words, the decision to save in this model is very closely connected to the volunteer preparer’s influence, so the highly elastic nature of the preparer/taxpayer relationship must be taken into account when considering the potential of scaling the program.

There are challenges to using the Game Board on an individual basis. Taxpayers reported both that Game Boards got lost in the mix of materials handed to them and that they were confused about how to use them. Partner program CAP UTAH provided feedback that there was too great a time interval between completion of the first and second tasks – writing in one’s savings goal prior to seeing the preparer, and then not finding out until late in the preparation process the refund that would be claimed – resulting in client loss of interest.

The mechanics of instant win prizes requires further exploration. Rochester CASH used prepaid cards to pay the \$5 Instant Win Scratcher prizes and encountered significant administrative issues, including card fees, recipient confusion about card activation, and having cards left over at the end of tax season. Although community tax site operators often express a desire not to have any cash on the premises, Maryland CASH followed prior practice (in other promotions) and paid out cash; although they did not report experiencing any problems, this was not expressly addressed in the program review.

Instant win prizes are a promising way to create new savings. The sites that distributed the Instant Win Scratchers saw a higher percentage of newly-incentivized savers and a higher average amount of new savings created. At these sites, 41% of savers were newly-incentivized and saved an average of \$689, compared to the rest of the standard SaveYourRefund tax sites with respective figures of 38% and \$482. Considering that the average percentage of refunds saved at the non-intervention sites was higher than at the Instant Win Scratcher sites (35% vs 28%), we believe that the higher average amount saved at scratcher sites is not attributed to differences in refund amounts. Scratchers were instrumental in creating new savings by presenting the opportunity to save in an exciting way and allowing tax volunteers to have successful conversations with consumers about saving.

Attractive savings vehicles need to be accessible through tax forms. D2D has led the effort to make paper Series I U.S. Savings Bonds available for purchase through Form 8888⁶. The experience from SaveYourRefund confirms how bonds are a leading saving vehicle for vulnerable consumers who may not have access to other products. Overall, there was 51% growth in year-over-year bond purchases in 2015. The SaveYourRefund results also confirm that taxpayers with dependents are particularly attracted to buying savings bonds.

⁶ D2D Fund. Everyone Can Save: Building Savings One Bond At A Time. Rep. Doorways to Dreams Fund, 30 July 2010. Web. <http://www.d2dfund.org/research_publications/everyone_can_save_building_savings_one_bond_time>.

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