

SPLIT, SAVE, WIN:
A REFLECTION ON
SAVEYOURREFUND 2014

SAVEYOURREFUND
SAVE SMALL ★ WIN BIG
PRESENTED BY D2D FUND



FROM THE EXECUTIVE DIRECTOR

Tim Flacke, Doorways to Dreams (D2D) Fund

Tax time has been well-established as an important savings opportunity for millions of Americans. For many taxpayers, a federal tax refund may be the largest lump sum of money that they receive all year, and saving a portion of it can be the first step toward building an impactful savings habit. By pairing the important tax-time savings moment with the concept of prize-linked savings, SaveYourRefund's unique approach sought to encourage tax filers to try something new – to save a portion of their refunds in U.S. Savings Bonds or other savings vehicles and potentially get rewarded for it.

SaveYourRefund was administered for the second time in 2014 and it generated impressive increases in both the number of entries and amount of dollars saved. The nearly 400% increase in both savings and entries positions SaveYourRefund as a campaign with enormous growth potential. Nearly 2800 savers saved \$2.6 million throughout the tax season. D2D attributes a large amount of this success to its strong and growing partnerships with the community tax preparation community, including committed partnerships with Volunteer Income Tax Assistance (VITA) programs. SaveYourRefund's 71 community tax preparation Partners were a valuable and integral part of the campaign, and their direct contact with consumers introduced SaveYourRefund to a large number of savers.

SaveYourRefund has proven to be an encouraging tool for savers, whether they were motivated by the prizes or the positive impact of savings. From the 100 Weekly winners to our Grand Prize winner, savers touted SaveYourRefund as a unique opportunity to improve their lives, and one that came at just the right moment. Entrants saved their refunds for their children's education, a first home, and emergency funds, and many of the winners even saved their prize money. Nearly 80% of entrants came from community tax preparation and VITA sites with an income ceiling of \$51,000, proving that this model can reach low-to-moderate income tax filers. Ninety percent of our 2013 entrants reported that they would not have saved without SaveYourRefund, which lends support to the idea that the campaign motivates saving. Entrants have been exposed to the promise of savings and, based on our work in both tax-time savings and prize-linked savings, we are optimistic the early success of the campaign will lead to increased savings in the years to come.

SaveYourRefund would not have had such impressive growth or success without critical partnerships ranging from community tax prep sites to a member of Congress. D2D is actively seeking more Partners and Friends to join the SaveYourRefund campaign to ensure its success and reach to even more tax filers. The infrastructure for savings is built and ready for filers to save, and we need your help to engage them. Join us in our campaign to build a national tax-time savings habit.

Tim Flacke
Executive Director
Doorways to Dreams Fund

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SAVEYOURREFUND: CAPITALIZING ON THE TAX-TIME SAVINGS OPPORTUNITY

SaveYourRefund is a nationwide, prize-based savings promotion that motivates and incents consumers to save at tax time through a fun, engaging experience. Over 100 million households receive a tax refund each year, which makes tax time a unique opportunity for them to save. More than \$250 billion is returned to tax filers each year, resulting in an average refund of over \$2,600.¹ There is an existing, universal savings infrastructure embedded into the tax filing process that makes it easy for tax filers to save a portion of their refunds.² SaveYourRefund was designed to augment and promote the use of that infrastructure.

SaveYourRefund offers participants a chance to win a prize for saving at least \$50 of their refunds in one of six qualified savings products. Combining the opportunity to win a prize with the opportune savings moment provided at tax time gives tax filers a new motivation to save and adds a sense of excitement and fun to the act of saving. D2D's research has shown that winning is a powerful motivator for consumers to start and continue saving; consumers who win prizes for having saved are likely to continue to save, and many eventually cultivate a savings habit.³

In the 2014 tax season, D2D implemented SaveYourRefund for the second time, and the results were impressive - the number of savers and total amount saved increased by 400% with nearly 3000 participants saving \$2.6 million. As in 2013, the goals of the campaign were to:

- Build awareness of the tax-time savings opportunity that is available through Form 8888 to over 100 million households that get a tax refund.
- Continue to increase the number of taxpayers who save a portion of their refunds at tax time, especially in Series I Savings Bonds.
- Continue to test the SaveYourRefund model – a scalable, multi-platform infrastructure built in 2013 to encourage saving via web, mobile and SMS-based entries.

During the course of tax season, D2D awarded 10 prizes each week over a 10-week period, for a total of \$10,000 in weekly prize money. Sharon Jones, from Austin, TX won the SaveYourRefund 2014 Grand Prize worth \$25,000.

GRAND PRIZE WINNER: SHARON JONES



For SaveYourRefund Grand Prize Winner Sharon Jones, the \$25,000 prize is not just a reward for saving during tax season. It's a foundation for a new life. "This Grand Prize will help me grow and help with what I visualize for myself and my family – a solid foundation for education and a solid foundation for home," she said.

Sharon has spent the last few months building a new house that her family will one day move into through Habitat for Humanity. Since 2012, she has logged over 350 volunteer hours helping other families build new homes, and now it's her turn.

This fall Jones is going back to school to get her bachelor's degree to fulfill her dream to become a math teacher. "This money will help me pay for my tuition and transition into my new house," she said.

Sharon is a natural teacher, especially with her daughters, whom she tells to save 10% of their earnings. "Like a lot of people, I struggle paycheck to paycheck, but you have to save for yourself. Even if it's \$5, it's something," she said.

Her belief in the importance of saving led to the biggest cash prize of her life. Jones used a portion of her tax refund this year to set an example for her daughters: she bought two \$100 savings bonds so that each girl – like her mom – could start to save for herself.

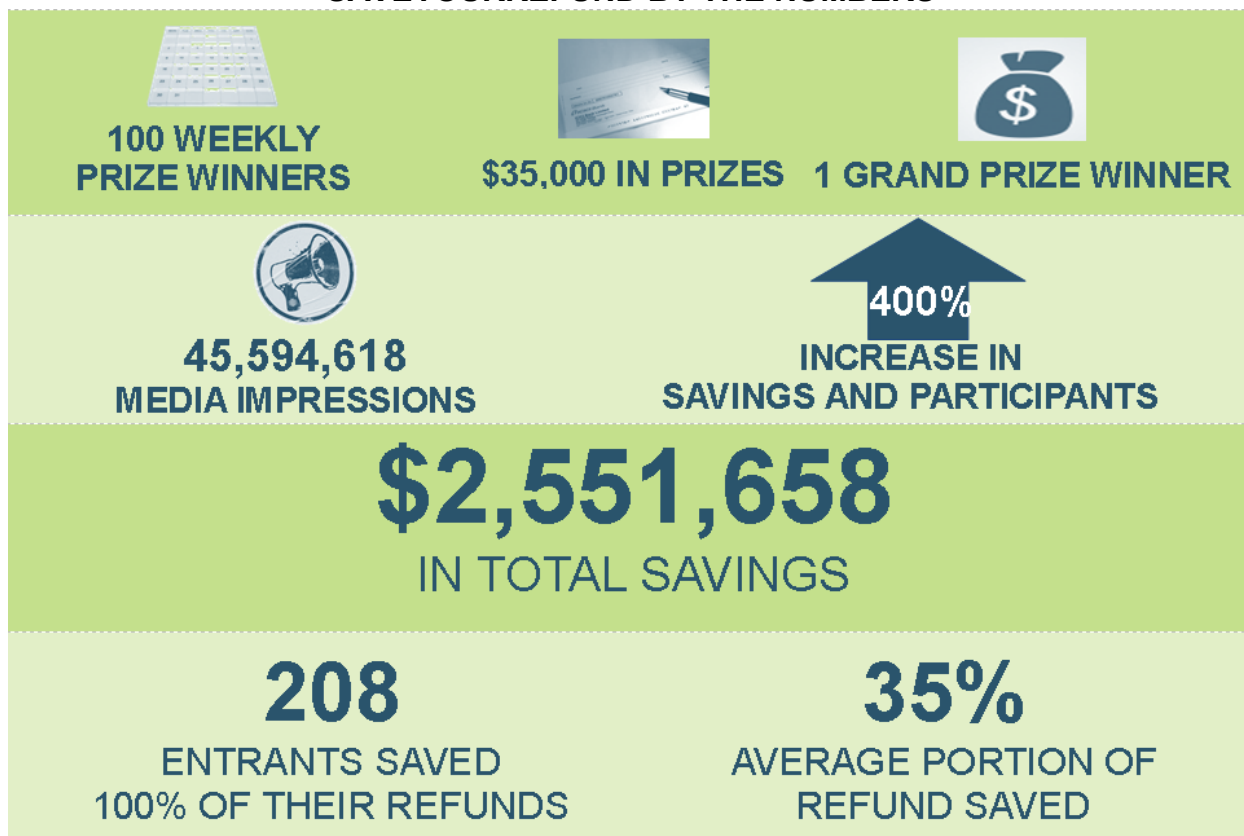
SAVEYOURREFUND2014

¹ <http://www.irs.gov/uac/Newsroom/Filing-Season-Statistics-May-10,-2013>

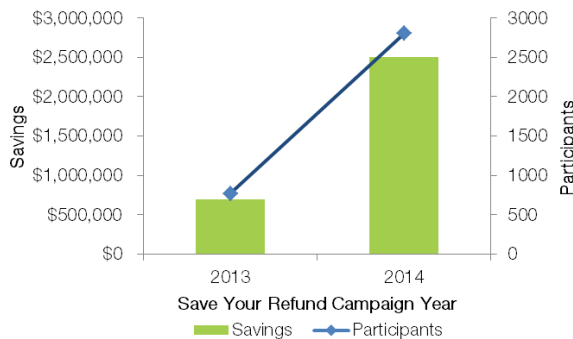
² IRS Form 8888 allows filers to split their refund into more than one account or save directly in U.S. Savings Bonds

³ http://www.d2dfund.org/research_publications/

SAVEYOURREFUND BY THE NUMBERS



SAVEYOURREFUND GROWTH IN SAVINGS AND PARTICIPANTS



SAVEYOURREFUND'S SAVINGS BOND IMPACT



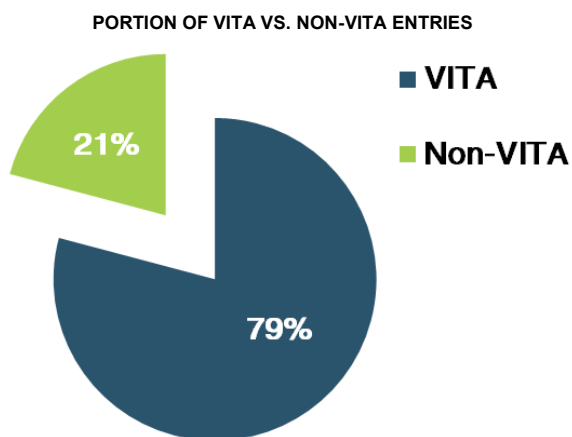
We attribute the success of the 2014 campaign to:

- Leveraging the community tax preparation and Volunteer Income Tax Assistance (VITA) communities to reach taxpayers.
- Strengthening strategic marketing, which considerably increased the promotion's reach to more than 45.5 million impressions through social and print media.
- Rebranding SaveYourRefund, including creating a new logo, website, and marketing collateral.
- Maintaining a strong back-end infrastructure that supported promotion entries from several types of devices and made it possible to conduct weekly prize drawings and the photo contest.
- Developing a new prize structure that rewarded more winners for saving and created an engaging experience for the Grand Prize Photo Contest entrants.

OUR APPROACH

In 2014, SaveYourRefund made improvements to the promotion design and infrastructure and implemented a new marketing strategy. These investments contributed to a significant increase in entries and the amount of money saved by participants compared to 2013. Those key components of the SaveYourRefund promotion are outlined below.

- Focus on the community tax preparation industry** — A carefully-crafted outreach strategy focused on developing strategic partnerships with VITA organizations and other related national organizations was largely responsible for increased participation in SaveYourRefund. Seventy-nine percent of the almost 3000 participants came through VITA Partners. As winners were drawn, sites highlighted their stories to encourage more of their tax filers to participate and motivate volunteers to help their tax clients enter. Partners valued the opportunity to implement SaveYourRefund at their sites; 94% of Partners said they would be SaveYourRefund Partners again next year.



- Considerably enhanced social media presence and public relations strategy** — In 2014, D2D retained a public relations and strategic communications firm, Ward Circle Strategies (WCS), to assist with media and outreach. WCS leveraged existing D2D partnerships for maximum effectiveness. For example, Corporation for Enterprise Development (CFED), a D2D Partner and chair of the national Assets and Opportunity Network, hosted a SaveYourRefund webinar that had over 200 participants from across the country. D2D was also able to secure another strategic Partner in Congressman Rubén Hinojosa, a co-

chair of the Financial Literacy Caucus who became the Honorary Chair of SaveYourRefund 2014, adding legitimacy and gravitas to the campaign. As a result of the enhanced public relations strategy, SaveYourRefund received increased media coverage that helped build awareness of the promotion and tax-time savings opportunity. A high-profile piece in NPR resulted in interest from additional media outlets, which produced a “domino effect” of media interest resulting in a TV appearance on MSNBC.

Over the course of the promotion, a total of 61 articles and/or media appearances about SaveYourRefund gained over 45.5 million media impressions. Although media coverage did not necessarily generate a large increase in the number of SaveYourRefund participants, it did help excite the public about the tax-time savings opportunity and the promise of using prizes and fun to help Americans save. That excitement can help fuel ongoing conversations about opportunities for different organizations to get involved in tax-time savings initiatives like SaveYourRefund. Finally, SaveYourRefund had an enhanced presence on Twitter and Facebook. The overall Facebook reach increased by 20%, and the Twitter following increased by 64% from the 2013 campaign to the 2014 campaign.



- Rebranding** — D2D made significant changes to the branding of SaveYourRefund in 2014. The messaging focused largely on the savings aspect of the campaign and highlighted the benefits of saving paired with the excitement of winning. The goal was to create a campaign that portrayed legitimacy to Partners and entrants. To do this, the website and marketing materials were redesigned with a new logo, complementary images, and new savings-focused messaging. The new front-end design of the website features logos from an enhanced roster of Partners, Sponsors and Friends and gave SaveYourRefund a new level of credibility.

REBRANDING: 2013 LOGO VS. 2014 LOGO



- Back-end infrastructure** — In 2013, D2D built and used a platform to accept SaveYourRefund entries that was accessible through the web, mobile platforms, and through Short Messaging Service (SMS), the basic text messaging service on most mobile phones. That platform included a mobile app and a database that stored entries. In 2014, that infrastructure was used again and held up well to a four-fold increase in entries. Due to the addition of the photo contest, SaveYourRefund also developed a new back-end infrastructure that accepted photo entries through Multimedia Messaging Service (MMS), email, and web or mobile entry. Both infrastructures are strong and able to support increases in the number of entries as we look ahead to future iterations of SaveYourRefund.
- Prize Structure** — Based on insights from D2D's Prize-Linked Savings work, the SaveYourRefund prize structure combined a series of small denomination, frequent prizes with one life-changing \$25,000 Grand Prize offered to the winner of the photo contest (see sidebar for more on the contest).⁴ In testimonials from winners, many mentioned that without the excitement generated by those prizes, they would not have saved. Sharing winners' stories throughout tax season stirred up excitement and demonstrated to potential entrants that SaveYourRefund was truly rewarding winners, lending credence to the notion that participants could truly "save and win".

⁴ http://www.d2dfund.org/prize_linked_savings

THE GRAND PRIZE PHOTO CONTEST



GRAND PRIZE-WINNING SUBMISSION FROM SHARON JONES

SaveYourRefund's Grand Prize Photo Contest gave entrants a fun, easy way to share their savings goals and dreams that would earn them a chance to win \$25,000. The photo contest required separate entry from the weekly prize pool entry. Photo contest entrants submitted a photo with an optional caption of up to 140 characters via email, text, or upload to the SaveYourRefund website for a chance to win.

The D2D team judged over 450 contest submissions and looked for one photo with excellent content, composition, and most importantly, inspiration and connection to the theme of savings goals and motivations.

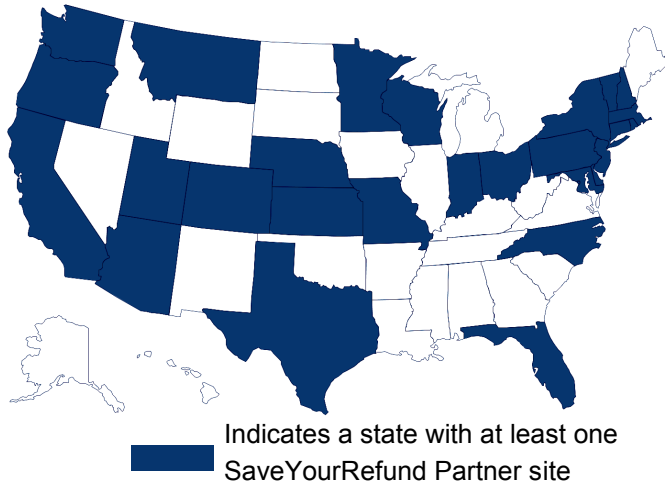
The Grand Prize Winner, Sharon Jones of Austin, TX, had her tax return prepared at a site administered by SaveYourRefund Partner, Foundation Communities. Her winning photo was a collage of three photos that represents her dual goals of saving for a new home and pursuing a bachelor's degree.



ADDITIONAL PHOTO CONTEST SUBMISSIONS

SAVEYOURREFUND2014

SAVEYOURREFUND'S COMMUNITY TAX PREPARATION SITE REACH



27
States

79
Tax Sites

2199
Community Tax Prep
Savers

\$1,836,434.30

Total amount saved at Community Tax Preparation sites
through SaveYourRefund

SAVEYOURREFUND WINNERS DISCUSS...

SAVINGS BONDS

"I had never had one before, this was my very first time. I wish I had known about these savings bonds earlier because I think they are a great opportunity. You can put the money in and...just forget about it and let the money grow."

-Tonia Chatman, CA

REASONS FOR SAVING

"I want to have a family home that my kids and grandkids can always come back to. My parents had that, and I loved it. I want to be able to give my kids what my parents gave me: someplace they can call home."

-Bonita Williams, NC

BUILDING A SAVINGS HABIT

"I had seen Form 8888 before but I never thought about using it until I heard about SaveYourRefund. I have already won by making the move to save. Using Form 8888 is what I'll be doing from now on, now that I know how easy it is."

-William Newton, FL

82%

of VITA Partners feel
SaveYourRefund helped
their clients save

94%

of VITA Partners would like
to participate in
SaveYourRefund again next year

SAVEYOURREFUND PARTNER SITES ARE SAYING...

"We loved getting the spreadsheet that showed how other sites were doing and it would be great if there could be a competition between sites to get the most savers."

-Pat, Project Read, CA

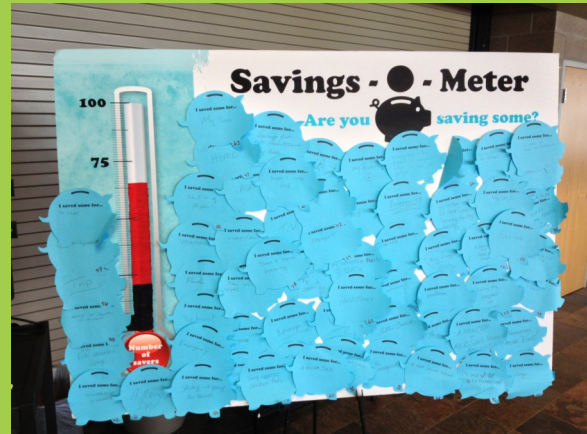
"SYR was an essential – and the most powerful – tool in our "Got Some, Save Some" campaign. We reached over 1,000 savers during the 2014 tax season – an increase of 52% from the previous season without SYR promotion. SYR is not only effective for enticing taxpayers to save some, but is a very easy tool to get VITA volunteers on board with savings promotion!"

-Anne, Prepare + Prosper, MN

"My volunteers were more impressed by knowing how much people saved than the number of entries. When I told them our clients saved over \$137,000 through SaveYourRefund, it was a room clearer."

-Blake, CAP Utah

PARTNER SPOTLIGHT: PREPARE + PROSPER



Prepare + Prosper (P+P), formerly known as AccountAbility Minnesota, entered 575 savers (7% of eligible clients) into SaveYourRefund, making it the site with the highest volume of entrants in 2014. P+P provides financial services to Minnesota residents, including running year-round tax preparation sites that integrate asset-building into the tax preparation process. This enthusiastic Partner has found innovative ways to get clients excited about saving and shared some best practices, which include:

- **Tax clinic huddles.** At the beginning of every volunteer shift, the P+P seasonal tax site manager and financial services specialist co-lead a huddle with all volunteers to share inspirational saver stories, names of clients who have won prizes from SaveYourRefund, and celebrate volunteers who have successfully convinced customers to "save some" of their tax refund.
- **Frame saving as the norm.** P+P encourages all preparers to ask clients, "How much do you plan to save today?" when revealing the refund amount at the end of the preparation stage.
- **Have a visual that tracks the number of savers.** Measurement motivates and incents a healthy competition among volunteers and tax sites and also demonstrates to customers that others like them save, too.

SAVEYOURREFUND: THE NEXT STEPS

The results from the last two years have demonstrated that SaveYourRefund is an effective tool to increase interest in saving at tax time. While we continue to explore scale strategies for SaveYourRefund, we are also interested in testing other opportunities to leverage the SaveYourRefund tool, increase savings, and improve financial capability:

- What other features can increase engagement? Would the chance to win instantly change a consumer's interest in trying to save at tax time?

- What are the most effective marketing messages and frame? Is it possible to get tax filers to pre-commit to save or do they need the advice and push from their tax preparer?
- Can SaveYourRefund be a gateway to other financial products and services? What are best practices to leverage the power of SaveYourRefund to improve long-term financial capability?

As with much of our work, collaboration is key to answering these questions and improving financial opportunities for Americans. We invite you to join this campaign, to get involved in the Savings Bond Working Group, and to help us continue to push this exciting innovation to help as many households as possible.

ACKNOWLEDGMENTS

D2D and SaveYourRefund would like to thank the following organizations for their support of SaveYourRefund:

<u>Partners</u>		
AARP Tax Aid- TCE	John H. Boner Community Center	Urban Edge
Allegheny Valley Association of Churches	Marlborough CDC	UW of King County
Arizona Bridge to Independent Living	Mission Economic Development Agency	UW of Snohomish County
Baltimore CASH	MU Extension KC	UW of St. Joseph County
Cambridge Economic Opportunity Committee	NABA NY VITA	Virginia Beach Department of Human Services
Campaign for Working Families - Philadelphia	Nehemiah Gateway	
CAP Services, Inc.	Neighborhood Improvement Association	<u>Friends</u>
CAP Utah	Next Step KC	Advent Financial
CAP Western Nebraska- Community Bridges	North Coast Opportunities, Inc.	America Saves
Capital Good Fund	Pio Decimo	America Saves South Los Angeles
CASH Coalition of Southeastern NH	Prepare + Prosper	Arizona Assets Alliance
CASH- Rochester	Preston Bradley	CFED
Catholic Charities of Central Florida	Project Read	CHIP
Center for Economic Progress	Reinvestment Partners	EARN
Cleveland Housing Network	Rural Dynamics, Inc.	Eight Eleven
Community Teamwork	Self-Help FCU	Granite United Way
CONNECT/The Neighborhood Developers	SHORE UP! Inc.	Hope Credit Union
CT Black Chamber of Congress	South SF Public Library	ISED Ventures
Cuyahoga EITC Coalition	Southern Chautauqua Federal Credit Union	Just Harvest
Denver Asset Building Coalition	Southwest Solutions	Kindergarten to College
East Bay Asian Local Development Corporation	SparkPoint Fremont	Maryland CASH
Fifth Third Bank	St. Louis Metropolitan Chapter-National Association of Black Accountants	Mission Asset Fund
Foundation Communities	Tempe Community Council	NCTC
GUW Concord	The Service Collaborative of WNY, Inc.	Opportunity Texas
GUW Franklin	United Way of Addison County	Prince Kuhio CU
GUW Laconia	United Way of Central Florida	Stand by Me
GUW Littleton	United Way of Northern Arizona	The Collaborative
GUW Manchester and SNHU	United Way of Northern New Jersey	The McGregor Clinic
GUW Salem	United Way of Northwest Florida	United Way of Greater St Louis
Human Response Network	United Way of St. Joseph County	USDA
Human Services Programs of Carroll County, Inc	United Way of Stark County	
Innovative Changes	United Way of Tucson and Southern Arizona	
	United Way of Windham County	

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