Engaging Unbanked People About Safe Banking Accounts Particularly During This National Crisis

The Cities for Financial Empowerment Fund commissioned robust, multi-city survey and focus group research to better understand how to communicate successfully about the value of opening no overdraft, low cost Bank On certified accounts. Given the current COVID-19 pandemic, access to a safe and affordable Bank On certified account is more important than ever.

Can unbanked people be persuaded to open or reopen an account?

• Unbanked people are a highly persuadable group. **More than half** of unbanked people polled were interested in learning more about getting a bank account.
• Only 15% said they were “not at all” interested in learning more about getting a bank account after seeing targeted messages.
• People who have had a bank account in the past are **even more** likely to be favorable to opening bank accounts.
• **Younger** and **Spanish-speaking** unbanked people particularly are inclined to open banking accounts.
• Unbanked adults under 30 are most persuaded by messages about **convenient tools** for banking, and achieving **short-term goals**.

What are the most common reasons people choose not to have banking accounts?

- **(43%)** “not having enough money to keep in an account”
- **(32%)** “bank fees are too high”
- **(30%)** “I don’t trust banks”

What financial goals are most important to those who are unbanked?

- **Building savings** and **building an emergency fund** are the most important financial goals in the near-term for both Spanish and English-speaking unbanked people. This is even more important as individuals grapple with the financial impact of COVID-19.
- **Security of personal information** and **safety of money**, including allowing remote management of receiving funds and paying bills, (including not losing money to fees) are also of **high importance** to unbanked people and keeping money safe is especially important during times of income volatility.
- A **bank account** can also ensure that consumers can receive unemployment, stimulus, and other payments safely and quickly through direct deposit, and also make remote payments, while practicing social distancing.

What messaging is most effective at persuading unbanked people?

Emphasize that banks now offer new services that minimize the hassle and uncertainty of banking, including allowing remote management of receiving funds and paying bills, while giving consumers the opportunity to **prepare for your future**:

- “**Banks Provide Tools for Easy Banking**”: Reinforce how remote direct deposit of benefits and payments, low balance alerts, and new tools to manage and track money online, make banking an easier and less stressful experience.
- “**Banks Allow You to Maintain Control**”: Emphasize that consumers can completely avoid overdraft and other surprise fees while maintaining fraud protection to help keep more of their own money.
- “**Bank Accounts Help You Achieve Your Financial Goals**”: Make it clear that banking is a critical step on the path toward goals, particularly more immediate financial goals like saving for an emergency fund, building credit, and reducing debt — all critically important in this crisis moment.
- “**Banks Can Benefit Everyone**”: Let people know that banks cater to customers just like them — and support that message by emphasizing banks’ most compelling benefits: convenient money tracking tools, low or no fees, and fraud protection.

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