

Military Saves: **START SMALL. THINK BIG.**

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Defense Credit Union Council
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Presentation Outline

- DoD Financial Readiness Campaign
- What is Military Saves?
- New Military Saves Brand
- Four Step Model
- Your Credit Union and the Campaign
- Questions/Discussion



Current Military Benefits

- **Our Service members and their families are not immune from the storm, but they do have some shelter:**
 - ✓ **Guaranteed paycheck**
 - ✓ **Spousal employment programs**
 - ✓ **Low-cost child care programs**
 - ✓ **Medical/dental benefits**
 - ✓ **Commissary/Exchange privileges & other installation support**
 - ✓ **Special pays & moving allowances**
 - ✓ **Tax-free housing and subsistence allowances**
 - ✓ **Only 25-30% own homes as primary residence**



“Financial Readiness = Mission Readiness”

Mission Success

- ✓ Good credit
- ✓ Financial stability
- ✓ Regular savings
- ✓ Contribute to TSP
- ✓ Don't Opt-Out for SGLI
- ✓ Low % loans
- ✓ Security Clearance

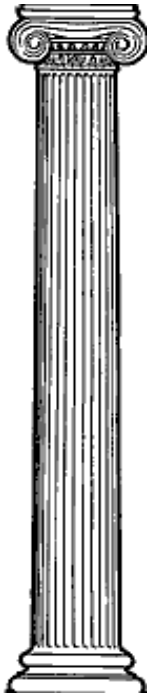
Mission Failure

- ✗ Bad credit
- ✗ Bankruptcy
- ✗ No emergency savings
- ✗ No retirement savings
- ✗ No SGLI/insurance
- ✗ Predatory loans
- ✗ No Clearance

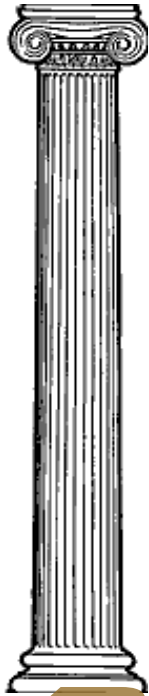


The Pillars of Personal Financial Readiness

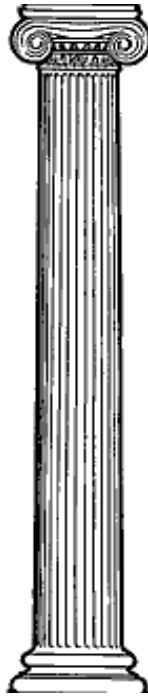
Good
Credit



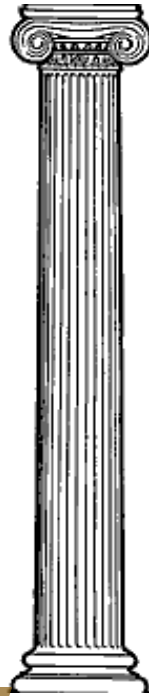
Financial
Stability



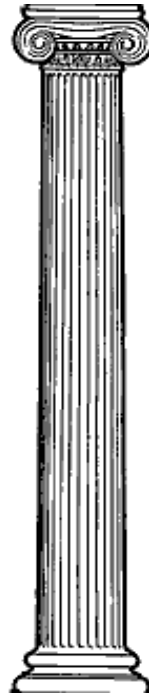
Routine
Savings



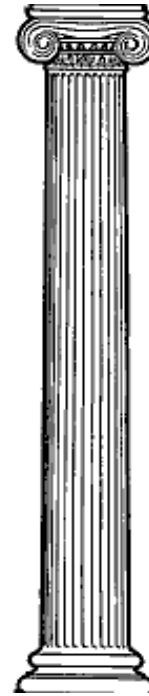
TSP/SDP



SGLI/
Insurance



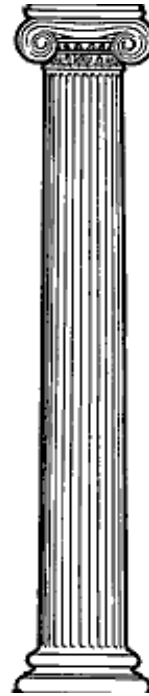
Low %
Loans



MWR



Security
Clearance



Deployment



The DoD Financial Readiness Campaign

- Started in 2003 to reduce the stressors associated with financial issues on Service members and families
- Education, resources, protections
- Federal, state, local/non-profit outreach and programs
- Platform represented by 8 “Financial Pillars”

DoD has been emphasizing financial readiness as a critical component of mission readiness long before the current economic crisis



FINRA Military Financial Confidence Survey

- Military more likely to take an active role in financial planning
- Military has more realistic view of financial requirements/ preparations
- More outreach required to raise awareness of TSP
- Military financial educational programs and services are positively influencing financial behavior

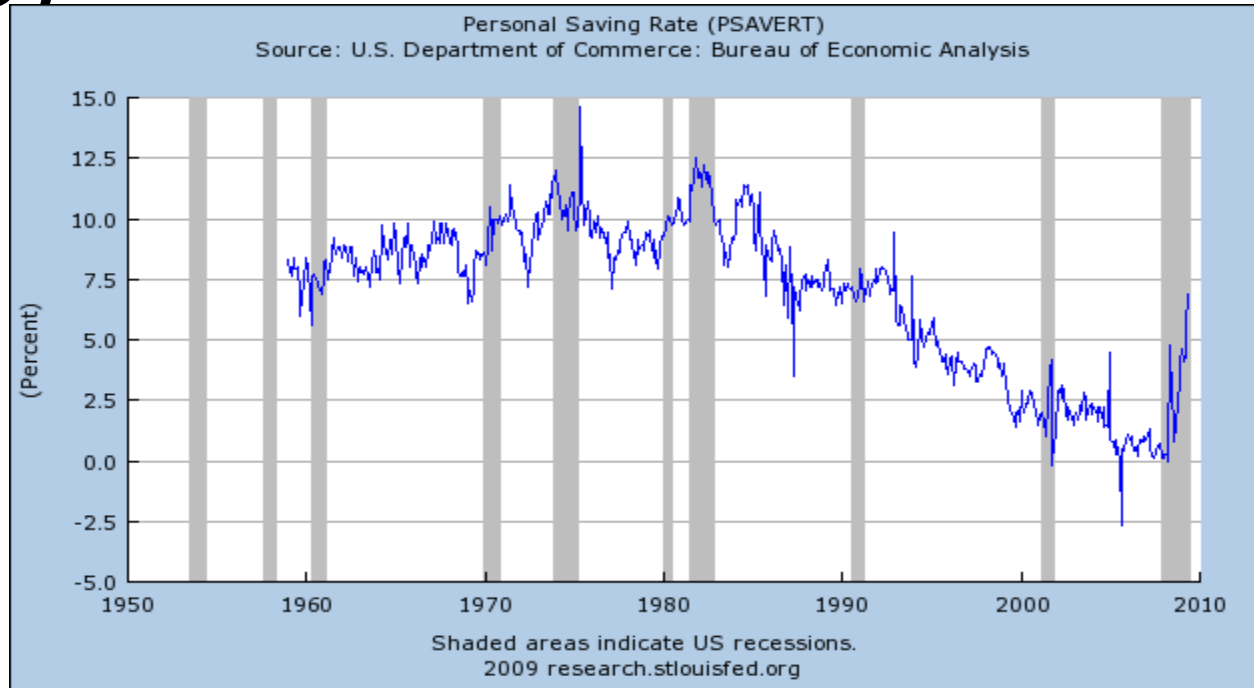


Social Marketing Campaign

- Military Saves is a DoD-wide financial readiness campaign to persuade military service and family members, to reduce debt and save money
- Result: Ensuring personal financial readiness and positively impacting the nation's personal/household savings rates



Personal Savings Rates (1960-2009)



MILITARY SAVES
AMERICA
Saves 
START SMALL. THINK BIG.

Social Marketing Campaign

- Military Saves encourages:
 - Developing a personal financial plan
 - Establishing good credit
 - Saving a portion of each paycheck
 - Enrolling in SGLI, TSP, and (when eligible) SDP



Annual Savers Drive

- “Military Saves Week”
 - Sunday, Feb 21st to Sunday, Feb 28th in 2010
 - In conjunction with America Saves Week
- Model based on Combined Federal Campaign fund drive
 - Project officers in every unit
 - 100% contact
 - Make a donation to yourself!
- Goal: motivate people to act!
 - Enroll as Saver and save money!!



Ongoing Savings/Debt Reduction Campaign

- Enrollment open 24/7 year-round
- Participating organizations welcome and encouraged to organize local promotions to stimulate increased/new/automatic saving and debt reduction throughout year
- Changing to an ongoing campaign with 4 Quarterly themes: Save & Invest, Military Youth, Debt Reduction, Retirement



The Saver Pledge

- A commitment to exercise good financial habits and encourage other Americans to do the same
- Savers who enroll online receive electronic newsletters and *e-Wealth Coach* advice



Banks and Credit Unions

- Military Saves also invites defense credit unions and military banks to aggressively promote automatic deposits to savings accounts
- Asks military and private organizations to promote saving and debt reduction to members, employees, and customers

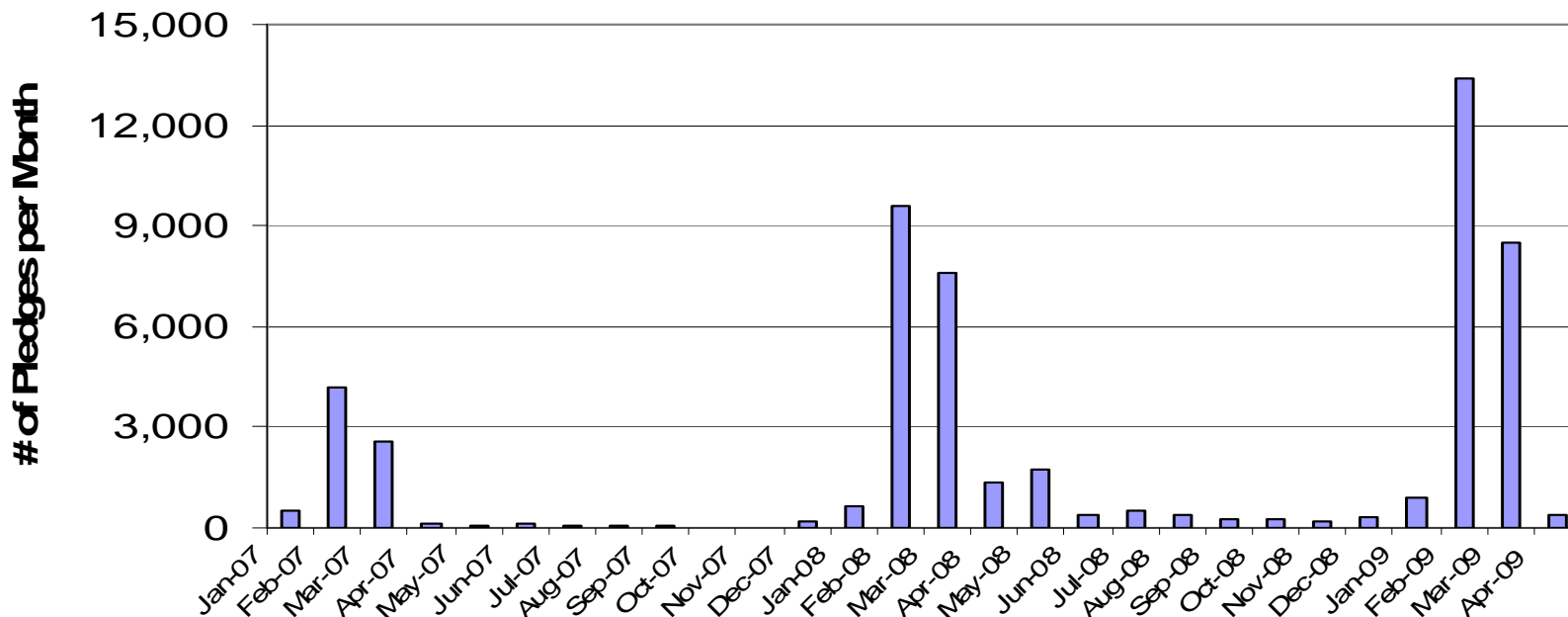


Participation

- All four Services and the U.S. Coast Guard participated in the campaign in 2007, 2008 and 2009
 - Enrolled more than 55,000 individuals and stimulated more than 100,000 positive financial actions such as putting money in savings or investment accounts
- More than 80 credit unions and military banks participated in a wide variety of activities to promote personal financial readiness



Military Saves Pledges (2007-2009)



Rebranding



The Eagles



military youth saves



Campaign for the Future

- Unified national brand
- Up-to-date look
- Starting small can produce BIG results!
 - Saving money
 - Reducing debt
 - Building a saving community
- Clearly about saving money
- Welcomes many kinds of Savers
 - Save money
 - Save marriages and families
 - Save mission distractions



Execution Advantages

- Green color and \$ say “Money!”
- START SMALL. THINK BIG.
 - Simple
 - Aspirational
- Enlarging circles symbolize growth over time
 - Savings grow
 - The “movement” grows
 - Financial savvy grows



A Four-Step Action Model

1. Create an information environment promoting a clear direction of **action**
2. Provide the opportunity for a personal commitment to **action**
3. Foster the availability of tools to translate commitment into **action**
4. Observe evidence of **action**



Create Info Environment

ACTIVITY	MEASUREMENT
MS campaigns conducted by department- & service-wide organizations, installations/ commands, program offices	Self-reporting of participation (through appropriate channels of communication)



Opportunity to Commit

ACTIVITY	MEASUREMENT
Saver Pledge for military personnel (or alternate method of subscribing to campaign communication)	Number of Saver Pledges and subscribers in America Saves database, with a reach goal of 10-30% of military personnel



Help Make Tools Available

ACTIVITY	MEASUREMENT
Defense CUs & military banks offer MS identified savings products	Number and availability of MS-identified products (reported by FI associations)
DFAS adopts “opt-out” policies for savings vehicles available through payroll deduction	Creation of opt-out policies for emergency savings accounts, TSP, & SDP



Evidence of Actions Taken

ACTIVITY	MEASUREMENT
Monitoring of account activity by military-associated financial institutions and DFAS	Use of identified savings products (reported by financial institution intermediaries & DFAS)



It's About Action

- You're asking the military member to take action
- What are you going to do that will allow the member to take action?



Military Saves Credit Unions

- Military Saver product(s) for military members (including family members)
- Collateral promoting product and campaign
- Logo on website with link to pledge
- Support Saves Week and other command-sponsored activities/effort
- Sponsor variety of Saves activities/promotions throughout year





The campaign guidelines and resources are provided by DoD's nonprofit partner, Consumer Federation of America



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Please visit **SaveAndInvest.org**

Military Saves is also supported by Chase Bank, Wells Fargo Bank, and Dave Ramsey's Financial Peace University Military Edition.



Questions/Discussion

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