

# FDIC Safe Account Pilot

---

ING DIRECT Final Results

Todd Sandler  
April 26, 2012



# Lead Selection



Seattle



Baltimore



Philadelphia



Atlanta



## Direct Mail & Email

- Household income < \$50K
- Modeled output was people who were more likely to:
  - Have a value score of D or E
  - Rent instead of own
  - Are under 30 years old
  - Are the only person in the household

## Online

### Search

- Keywords surrounding underbanked behaviors
  - Payday loans
  - Money orders
  - Cash advances
  - Rent to own
  - Fees, etc.

### Display

- Placement on networks with these criteria
  - Household income < \$50,000
  - Lower credit scores
  - Renters

# Performance

Channel	Impressions	Responders	Response Rate	Cost Per Resp	# of Savings Accounts	Cost Per Account
Mail	100,000	207	0.207%	\$ 184.78	181	\$ 211.33
Email	97,922	38	0.039%	\$ 88.49	32	\$ 105.08
Online	18,653,165	260	0.001%	\$ 185.67	121	\$ 398.96
Total	18,851,087	505	0.003%	\$ 177.99	334	\$ 269.12

## Balance Growth

- **25%** of these Savings accounts had an Automatic Savings Plan in March 2011.
  - 18% were still saving automatically March 2012
- The average monthly amount saved began at \$42 and grew to \$57.
- Average savings balances grew from \$243 (opening) to \$980 in March 2012.
- Customers continue to open up additional products.

## Comparison

- The Cost Per Account for the Safe Account Pilot was:
  - **Less efficient** than standard mail
  - **On par** with standard email
  - **Less efficient** than standard online

# Survey Results



Collected data from survey that was sent on 4/7/11.

- Survey asked questions about underbanked services and previous banking relationships
- Out of 239 surveys sent, we only obtained 17 responses.
- Only 4 of 17 (23.5%) have use any of the underbanked services in the past 12 months.
  - **76.5%** were part of the general population that happened to respond to our offer, but **are not by definition underbanked.**
- For **47%**, **this was their first savings account in 5+ years.**

# Findings

## Creative

### Online

- Search terms related to underbanked terms deliver low, inefficient volumes
- Use Google contextual targeted at low score individuals

### Email and Direct Mail

- Emphasize starting with as little as \$1 and no minimums
- Emphasize the \$25 account opening bonus

## Segmenting

- Results may be best in cities where standard marketing is strongest
- Direct Mail may not be the best channel for this population
- Best performing Markets
  - Philadelphia and Baltimore performed best across all channels
  - Online - Despite having a younger under-banked population and our physical location, Seattle had the highest Cost Per Account (\$1,686).
- Need to explore alternative targeting methods in the direct banking model (only 23% were "underbanked")

---

# Appendix

# Online Creative

The screenshot shows the msn.com real estate section. At the top, there is a green banner for ING DIRECT with the text "ING DIRECT Save your money®" and "Member FDIC". To the right of this banner is an orange box with the text "No Fees. No Minimums." and "Orange Savings Account SM" with an "Open Now" button. Below the banner is a navigation menu with links for News, Entertainment, Sports, Money, Lifestyle, More, Bing, Hotmail, Messenger, and Sign in. The main content area features a search bar for "Search Real Estate" with the Bing logo. Below the search bar are links for Home, Buy & Sell, Rent, Move, Loans & Finance, Home & Garden, Design Center, Tools, Blog, and Video. A "POPULAR SEARCHES" section lists "ashton's bachelor pad", "kb home", "pulte pretax loss", and "real estate lobby". The main content area is divided into two columns. The left column features a large image of a house with the headline "Need a zero-down mortgage? Look outside the city" and a sub-headline "If you meet certain requirements, you may qualify for a loan with no down payment. READ MORE >>". The right column features a "Slide show" and "Video" section with a "Make sense of buzzwords" and "How lenders spy on you" section. Below this is a "Related content" section with links to "Bing: What is mortgage insurance?", "10 tips to snag a mortgage in 2011", "4 problems that could ruin your mortgage", and "Record share of homeowners put in cash to refi". At the bottom of the page, there is a "FIND YOUR DREAM HOME OR APARTMENT" section with radio buttons for "Existing Homes from REALTOR.com®", "New Homes from Move.com", "Foreclosures from foreclosure.com", and "Rentals from Move.com". There are input fields for "Enter ZIP" or "Enter City" and "State" with a "SEARCH LISTINGS" button. To the right of this section is an advertisement for "February Real Estate Auctions" with "1,350+" listings and a "Bid on Homes, Land, Commercial & Investment Properties" link.

The advertisement banner features a large orange circle at the top left. The text "Money in the bank changes everything" is written in white on an orange background. Below this is the ING DIRECT logo with the tagline "Save your money®" and "Member FDIC". An "Open Now" button is located at the bottom left of the banner.

The vertical advertisement features a blue "Open Now" button at the top. Below it is the ING DIRECT logo with the tagline "Save your money®" and "Member FDIC". The text "Orange Savings Account SM" is written in white on an orange background. Below this is the text "No Fees. No Minimums." in white on an orange background. At the bottom, the ING DIRECT logo with the tagline "Save your money®" and "Member FDIC" is repeated.

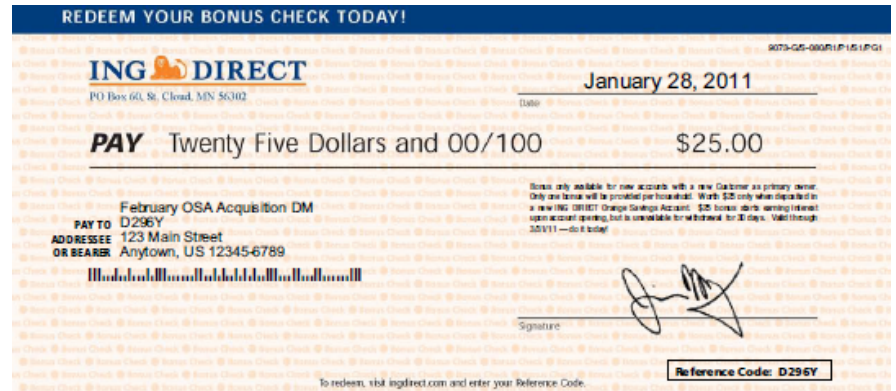
- Stresses no fees, no minimums, and the feeling of having money in the bank



# Mail Creative



- Started with base creative and messaging
- Evoked the emotional aspect of saving
- Emphasized no minimums, no fees, and \$25 bonus



## MONEY IN THE BANK CHANGES EVERYTHING.

WE'LL GIVE YOU \$25 TO KICK START YOUR SAVING.

Dear February OSA Acquisition DM,

Ready to get a leg up on saving? Sign up for an **Orange Savings Account™** with as little as \$1. You'll earn a 1.10% annual percentage yield (variable rate, effective as of 1/12/11), and we'll give you a \$25 bonus to get things moving.

### Grow your savings in no time.

The Orange Savings Account is nice because there are no minimum account balances, no fees, and no service charges to slow you down. You can start saving, right now, with as little money as you wish.

### You don't have to switch banks.

Your new Orange Savings Account is linked to your current checking account, so you can transfer money between accounts in a snap.

### Take a minute to get started.

Open your Orange Savings Account at [ingdirect.com/save](http://ingdirect.com/save) and enter Reference Code D296Y for an extra \$25. Questions? Call 1-800-ING DIRECT to talk to a real person. It's safe, secure and you'll be on your way to saving (and earning more!) in no time.

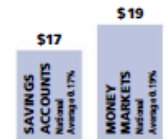
Thanks,

Jim Kelly  
Chief Operating Officer  
ING DIRECT

P.S.: Sign up and start saving by **March 31, 2011** - we'll drop a \$25 bonus to help kick start your Orange Savings Account.

\$110

WATCH YOUR MONEY GAIN SERIOUS MOMENTUM



Rates are Annual Percentage Yields. ING DIRECT Variable Rate effective as of 1/12/11. Chart based on a deposit of \$10,000 for one year. Sources: savings and money market averages from Bankrate.com as of 10/20/10.

Get your \$25 bonus today.



[ingdirect.com/save](http://ingdirect.com/save)  
1-800-ING DIRECT  
(464-3473)

ING DIRECT  
Save your money™

Reference Code: D296Y

FDIC



# @ Email Creative

► A little goes a long way

► It's never too late to start saving

► A \$25 bonus should get things growing

Open an Orange Savings Account with ING DIRECT and get a **\$25 bonus**.

Earn more than 6X the National Savings Average



Annual Interest

- **No minimums** - Open your account with any amount, even \$1.
- **No fees** - It's your money, keep it.
- **FDIC-insured** - Your money is safe and secure.

Visit [ingdirect.com/save](http://ingdirect.com/save) to open your Orange Savings Account.

Don't forget to enter Reference Code **OSAF111F** to get your **\$25 bonus**.

Chart based on a deposit of \$10,000 for one year. Source: savings and money market averages from Bankrate.com as of 10/20/10.

1.10% Variable Annual Percentage Yield effective as of 1/26/11. Offer valid through 2/28/2011. Bonus only available for new accounts with a new Customer as primary owner. Only one bonus will be provided per household. \$25 bonus starts earning interest upon account opening, and is available for withdrawal after 30 days.



MEMBER  
**FDIC**  
Member

- Used base creative and messaging
- All included \$25 bonus, no minimums, and no fees
- Tests emphasizing the following features using subject line and headlines:
  - \$25 Bonus
  - Starting with \$1
  - Feeling of having money in the bank