
MARCH 16, 2021

**AGENDA ITEM 5
INFORMATION ITEM**

CALIFORNIA ABLE ACT BOARD

TIAA Account holder – 2020 Survey Results

In 2020 Staff commissioned TIAA to conduct a survey of CalABLE account owners. The primary purpose of this survey was to explore account owner preferences regarding the CalABLE FDIC portfolio in light of historically low interest returns. The survey was expanded to include a number of questions that can provide data that can be used to guide decisions related to program growth. The California ABLE Act Board will receive the results from the 2020 Customer Survey conducted by TIAA Tuition Financing, Inc. from Mr. Doug Harrison, TIAA Tuition Financing, Inc, and Mr. Mitch Baum, MAB Strategic, LLC.

Attachments

- Survey Results presentation

Presenters

Douglas Harrison, Senior Director, Tuition Financing Inc.
Mitch Baum, President & Founder, MAB Strategic, LLC

Market Study



About This Research

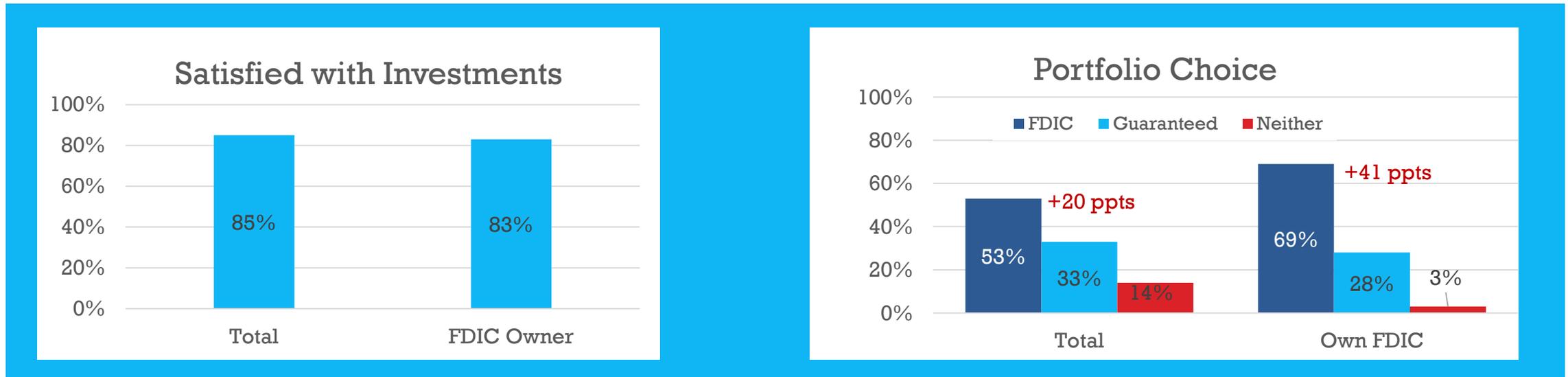
- **Fielded:** Online Nov 5 – 13
- **Participants:** CalABLE account holders / ALRs (invited via two emails)
- **N = 489 completes (78% of starts)**

Today's Discussion

- **Six actionable insights**

1. Retain FDIC Portfolio

- Satisfaction level with current investment options is high (80%+)
- Consumers prefer the FDIC insured portfolio over the Guaranteed option by a wide margin (20 – 41 ppts)

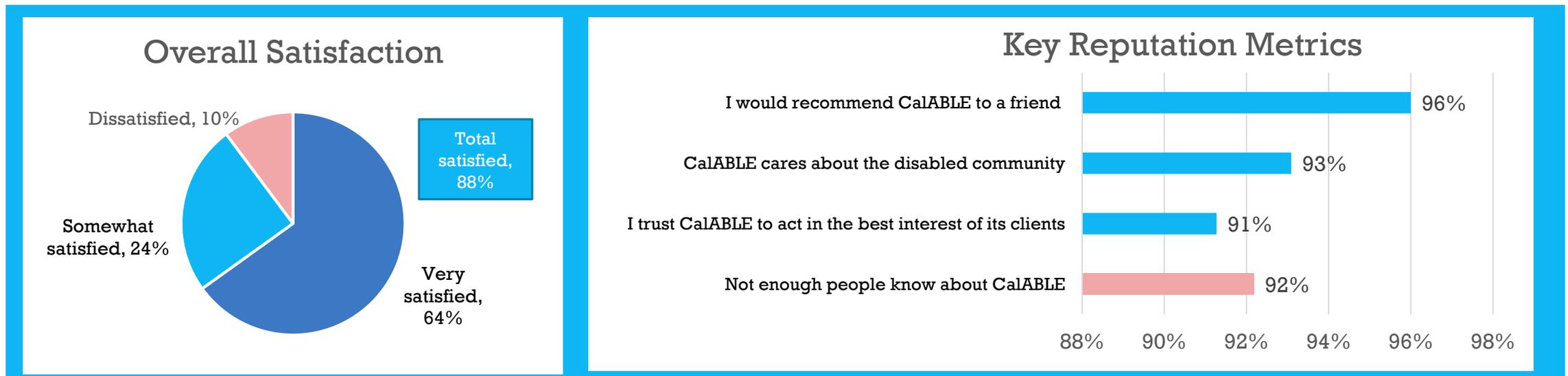


Choices A. FDIC Portfolio – provides lower returns but is insured by the FDIC. B. Guaranteed Portfolio – seeks to provide somewhat higher returns, but is not insured by the FDIC C. Neither



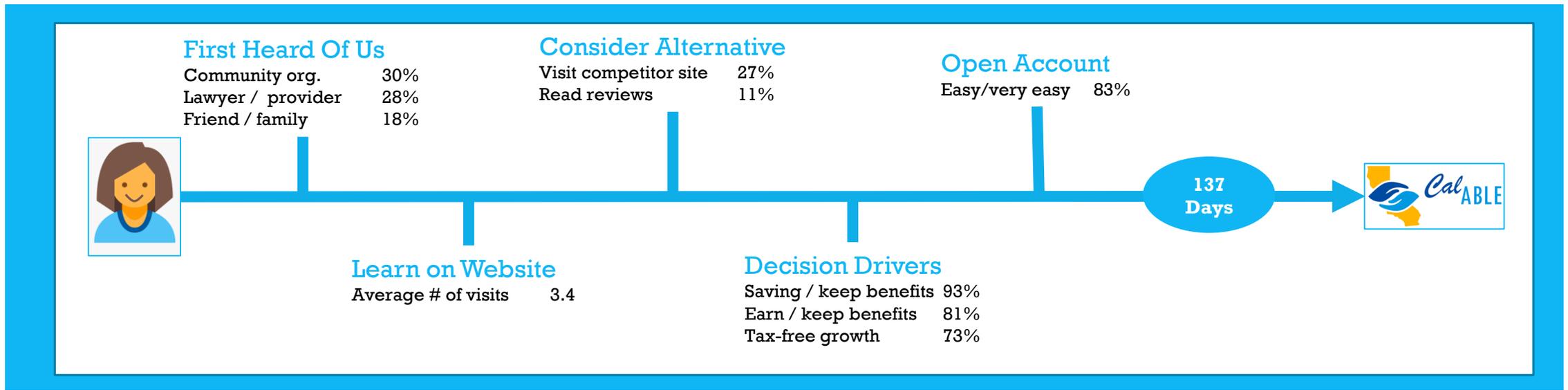
2. Amplify the Brand

- CalABLE has earned high levels of satisfaction (88%) and has a strong positive reputation on most all key metrics (90%+)
- Biggest brand opportunity: Most believe not enough people know about CalABLE (92%)



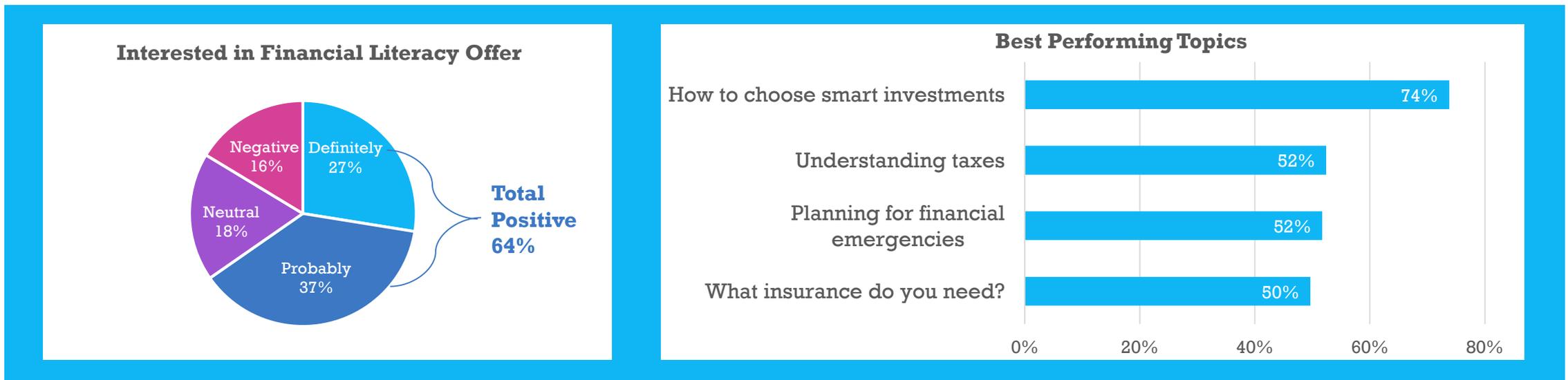
3. Tailor Marketing to the Purchase Journey

- Starts with a trusted source (78%)
- Long and well-considered decision (3.4 site visits, 137 days)
- Competition is a factor (27%+)



4. Expand Financial Literacy Efforts

- There is a solid interest in financial literacy content (64%)
- Most popular topic: How to choose smart investments (74%)



ALR: CalABLE is considering offering webinars and other online materials to help you understand how to manage the account owner's personal finances. Would you be interested in this?
AO: CalABLE is considering offering webinars and other online materials to help you understand how to manage your personal finances. Would you be interested in this?

5. Take Advantage of Differences Between AOs and ALRs

- AOs and ALRs differ not just in their roles, but in many other important ways
- Opportunity to tailor messaging and tactics to reflect these differences

AO

“It has lowered my stress about my future...to know that I can have financial freedom without losing my benefits.”

Under 55

Short- and long-term goals

Often use FDIC Portfolio

Often highly engaged with CalABLE

(Visit the website monthly)

ALR

“We are saving so that our son will not be a financial burden on his brothers when my husband and I pass.”

Over 55 / AOs under 30

Long-term goals

Mostly for special purchases

Anticipate larger (\$5K+) balances

6. Use Consumer Language

- While CalABLE has a strong emotional impact on people's lives, both AOs/ALRs would tell a friend about the program using very direct functional language

“A savings account for disabled people that allows you to keep social benefits.”

“It's a way of putting money away for your disabled child that the government can't take away or penalize you for.”

“Tax-free, no impact on benefits.”

Questions / Comments



Thank you