




TD Bank Millennial — Financial Support for a Generation: Product Strategy and Feature Brief

By Adam Chasen
AC4D



*“Even when I try to save it doesn’t work. I have to pay rent, student loans, and food. **It doesn’t feel like I ever have anything extra to save.**”*

Ben, 28

We at TD Bank care about our **millennial clients**.

We know that more millennial households are in poverty than any other generation. They are burdened by debt, lower wages, and are faced by economic insecurity.

Given global financial trends, we want to help our customers save for the future with minimal effort. We know that this does not substitute for larger systemic changes. **But we at TD Bank believe that with foresight and financial planning support, young people can have more hope of a stable life.**

OVERVIEW

“Becoming poor is not an event. It’s a process. Like a plane crash, poverty is rarely caused by one thing going wrong. Usually, it is a series of misfortunes — a job loss, then a car accident, then an eviction — that interact and compound.”

Hobbes, FML

TD Bank Millennial provides an innovative approach to counteracting the financial burdens young people face as they negotiate growing up in a world not built with their long term safety in mind. This document describes how TD’s new banking product will support the long term financial health of those individuals most in need.

The TD Bank Millennial product is based on these three behavioral insights:

- 1 Young adults respond to small nudges that lead to big change over time.
- 2 Young adults are more motivated by fear of losing what they already have than potential future gains.
- 3 Young adults who are earning poverty wages are too cognitively taxed to make long term, future-oriented decisions.

1 Young adults respond to small nudges that lead to big change over time.



Young adults do not respond to broad commandments that proclaim what one should do. It is often hard to connect how single, momentary decisions lead to significant financial savings or ruin. In practice, these broad proclamations often lead to guilt and resentment.

Rather, young adults will change their behavior over time when there are small nudges with clear immediate rewards.

Our product should provide young adults with opportunities to make seemingly insignificant decisions and get instant positive feedback. Not unlike the small amount of initial energy it takes to initiate the domino effect, TD's product will ultimately help young adults to make long term better saving's decisions.

- 2 Young adults are more motivated by fear of losing what they already have than potential future gains.



Fear of loss motivates many decisions that young adults will make. The fear that they may be missing out has a greater emotional impact on moment to moment decisions than does the offer of an equal gain.

Our product should provide young adults with opportunities to make long term positive savings goals through a fear of loss, rather than the pleasure of future gains. Like an optical illusion, TD bank's product will reframe savings as the potential loss of future funds.

- 3 Young adults who are earning poverty wages are too cognitively taxed to make long term, future-oriented decisions.

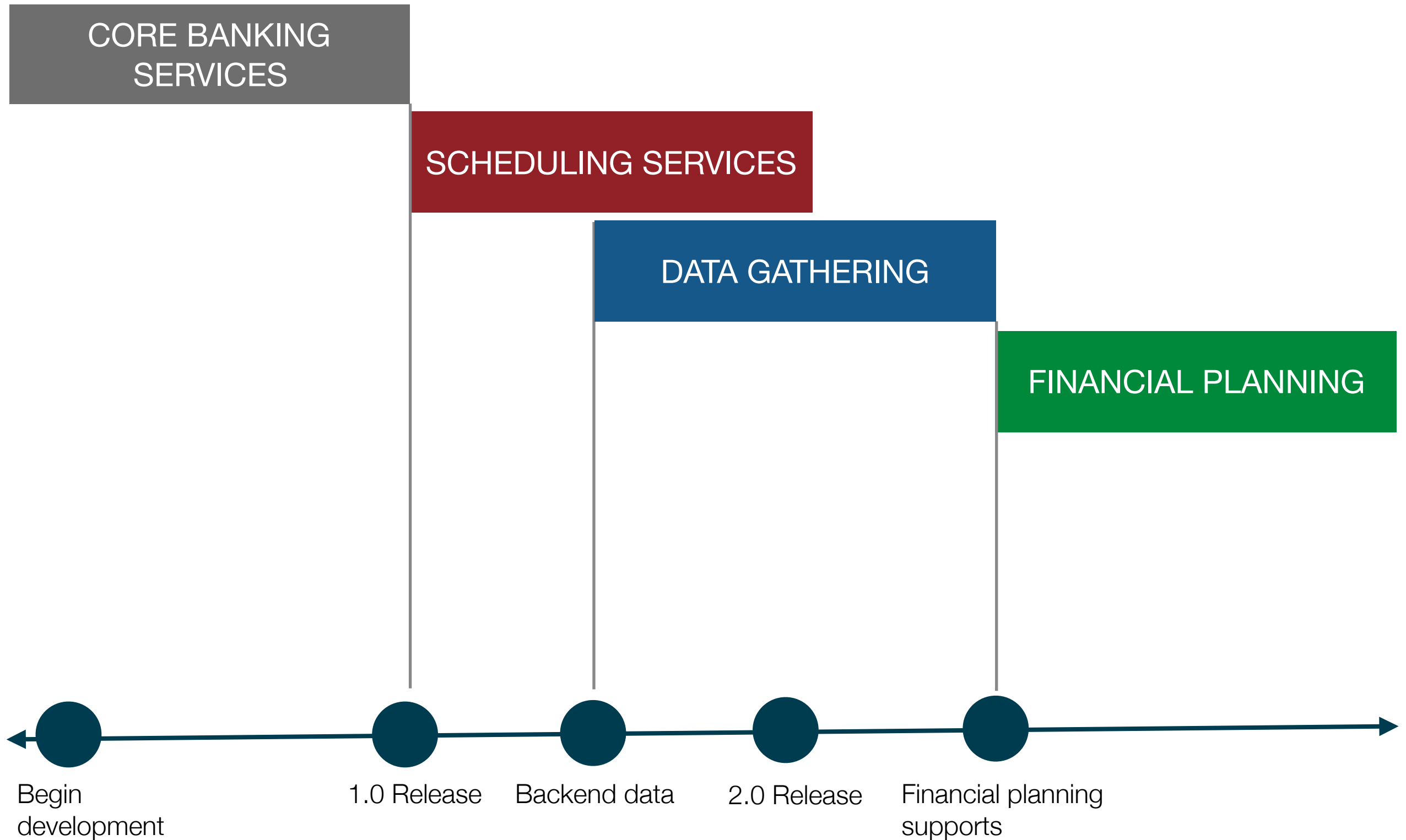


Young adults who are earning poverty (minimum) wages are unable to make long term decisions due to the cognitive burden of living in just-getting-by survival conditions. It cannot be expected that young adults will be able to take on the burden of making rational decisions that require long term planning.

Our product should provide young adults with support to make long term planning goals in simple and clear ways.

TD Bank promises to make financial health achievable for young adults through simple, proactive and objective decision making support.

HIGH LEVEL STRATEGIC MAP



CORE BANKING SERVICES

SCHEDULING SERVICES

DATA GATHERING

FINANCIAL PLANNING

Purpose:

To establish the base of the banking application. Users will be able to perform assumed functions like checking balance, transferring money between accounts, and paying bills.

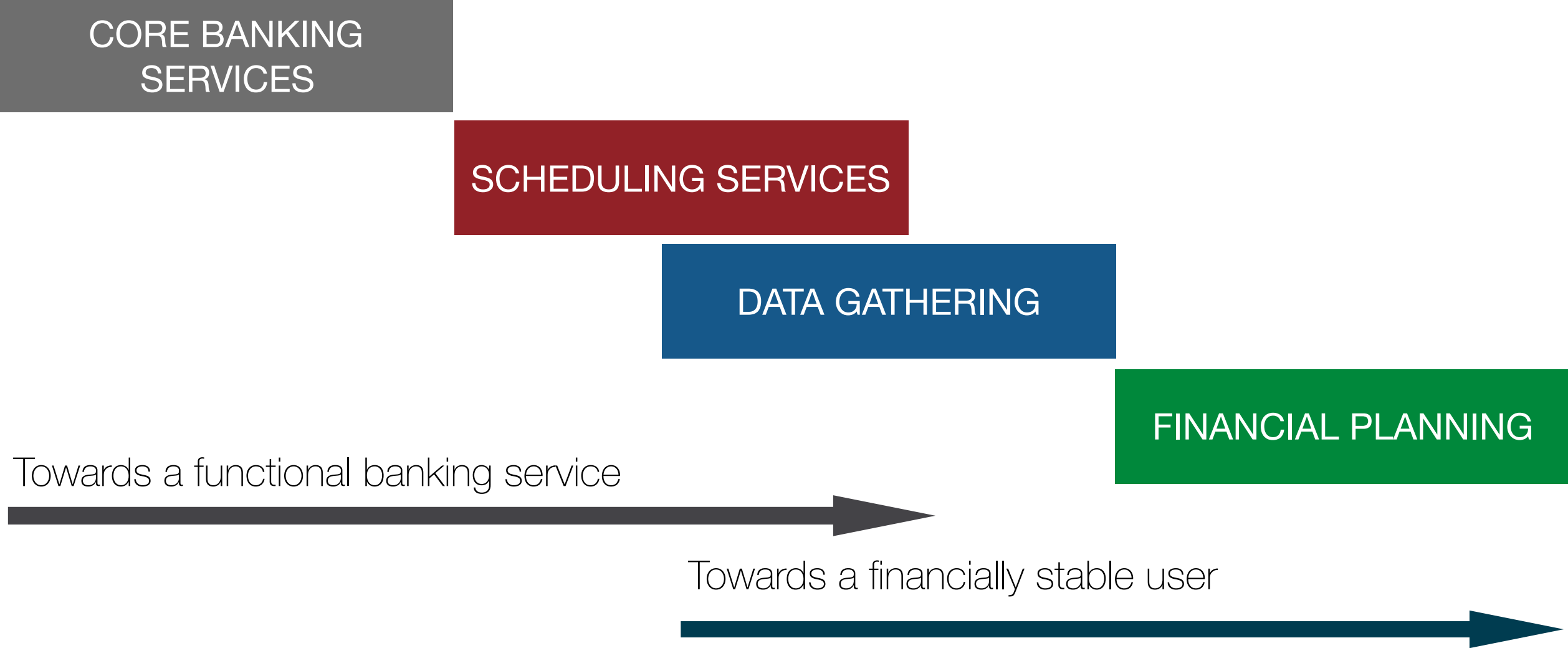
Purpose:

To establish the base of time-based scheduling activities like recurring bills and transfers at regular intervals. We will also begin tracking data to establish spending and savings trends.

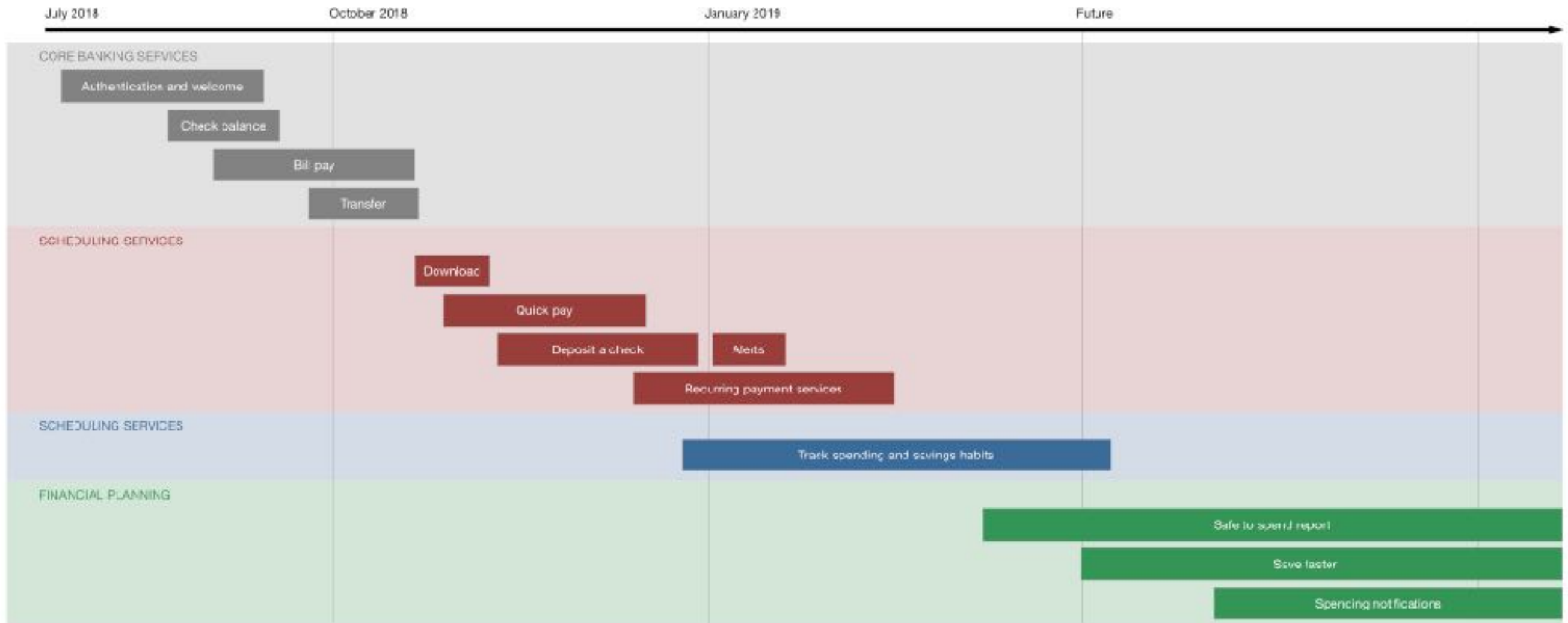
Purpose:

To fulfill our value promise, we will build in innovative capabilities to help users save money, make better long term decisions, and have support managing their financial health.

HIGH LEVEL STRATEGIC MAP



DETAILED STRATEGIC MAP





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Password

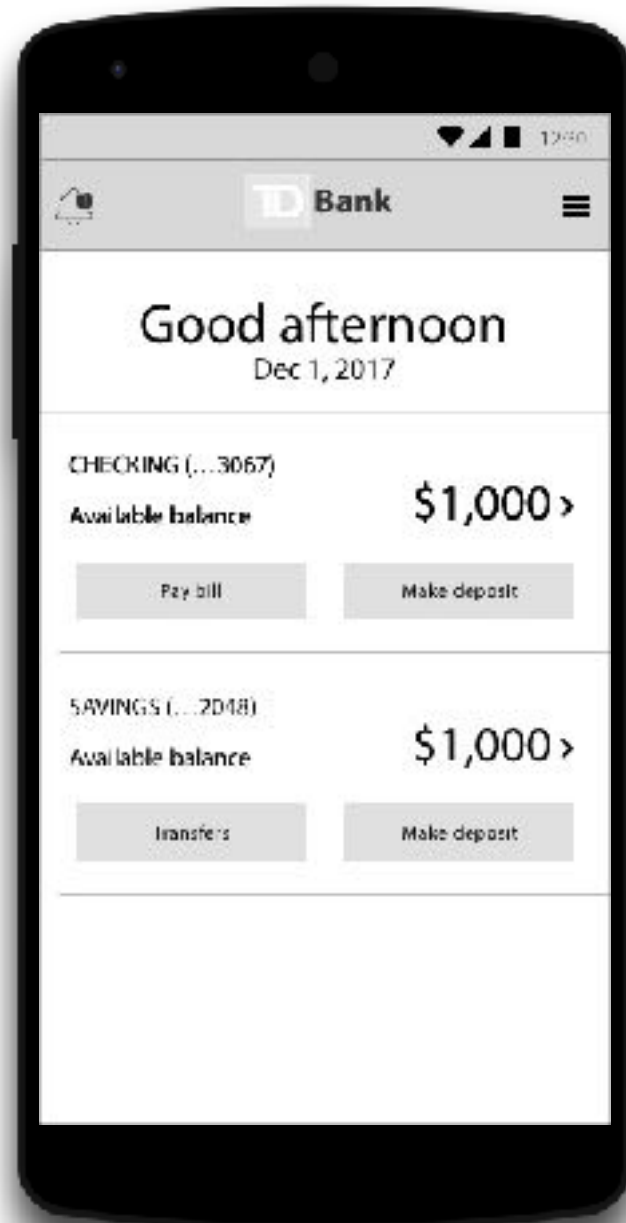
Remember me

Log in

Sign up | Forgot password?

Feature Overview

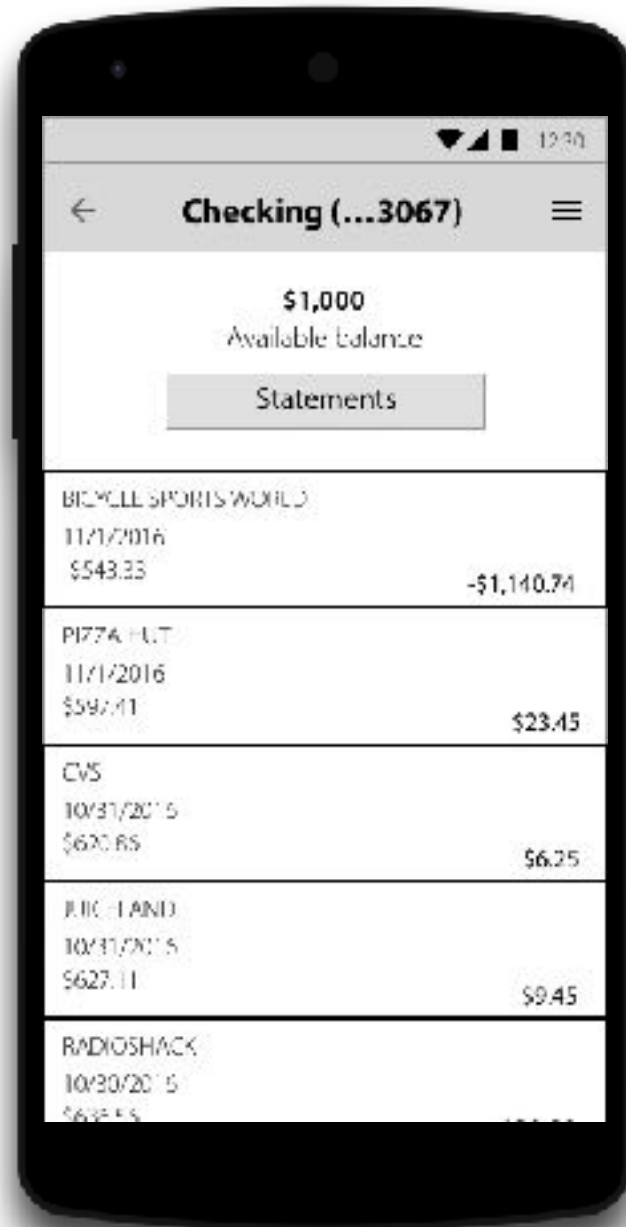
AUTHENTICATION AND WELCOME



The Authentication and Welcome screens provide users easy, safe ways to login. Users will conveniently find their balance, navigate through the banking application, and eventually check alerts. Users will be able to:

- Login securely
- View current account balances
- Navigate to features

CHECK BALANCE



The Check Balance provide users a convenient way to track prior spending habits. Users will be able to:

- Track all transactions
- Download a PDF for the statements from a particular month

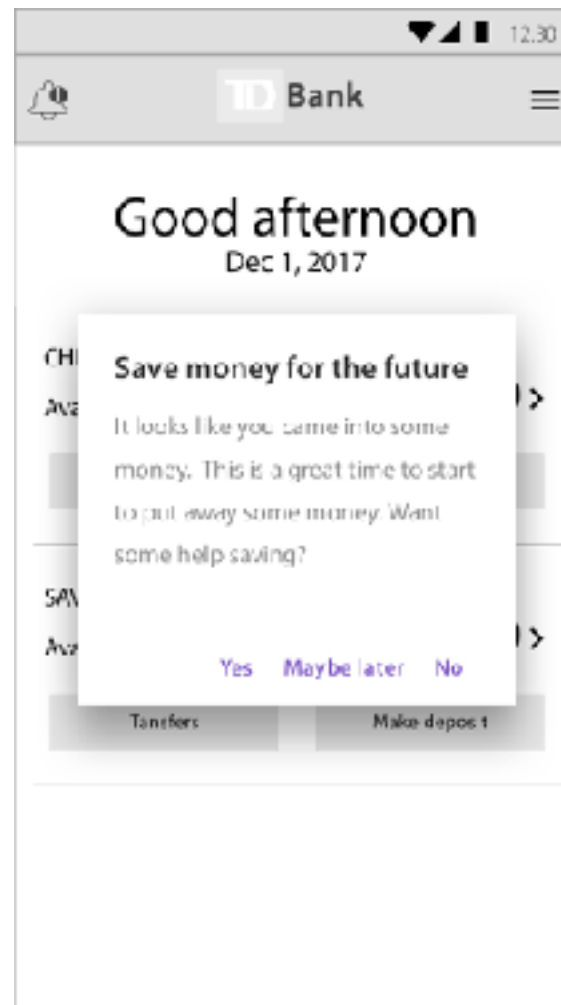
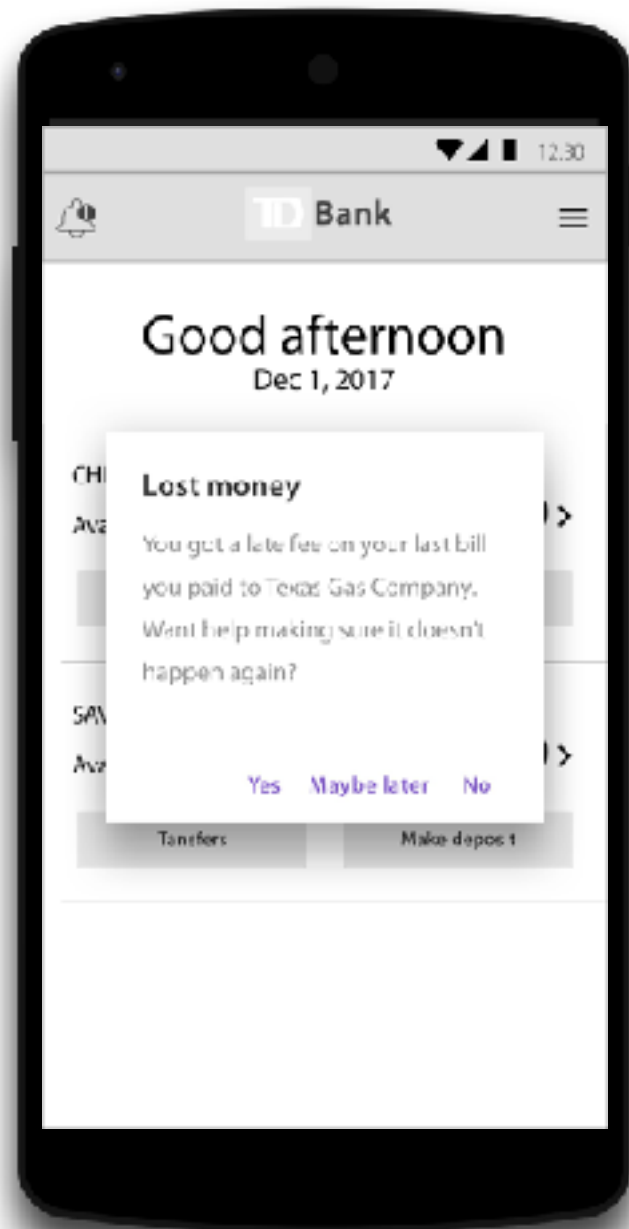
SCHEDULING FUTURE PAYMENTS



Scheduling future payments will be a key feature within Quick Pay, Transfer, and Bill Pay. Users will be able to:

- Plan future payments
- Make regular transfers between accounts
- Make payments regularly without having to consistently schedule them

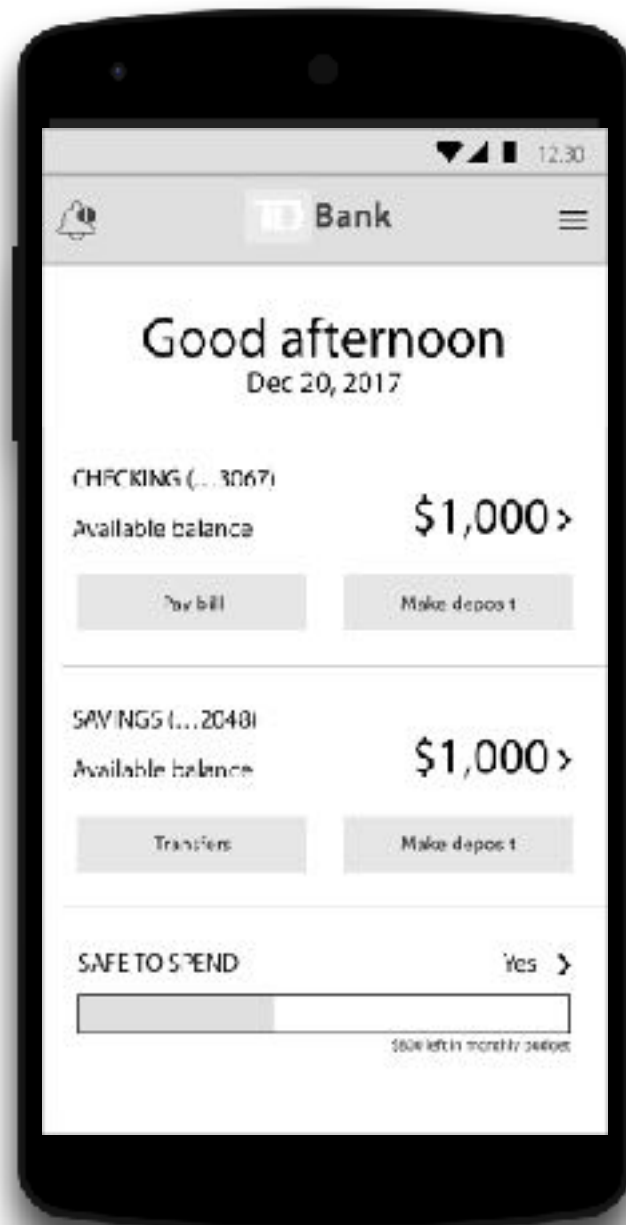
SAFE TO SPEND



Safe to spend is the key feature that will fulfill our value promise. After tracking a user's spending habits, the banking application will prompt users to opt into the feature. This will enable TD Bank to:

- Make recommendations to transfer money to savings
- Forewarn users that they may be in jeopardy of spending too much for the month
- Build up a saving's cushion of 3 months

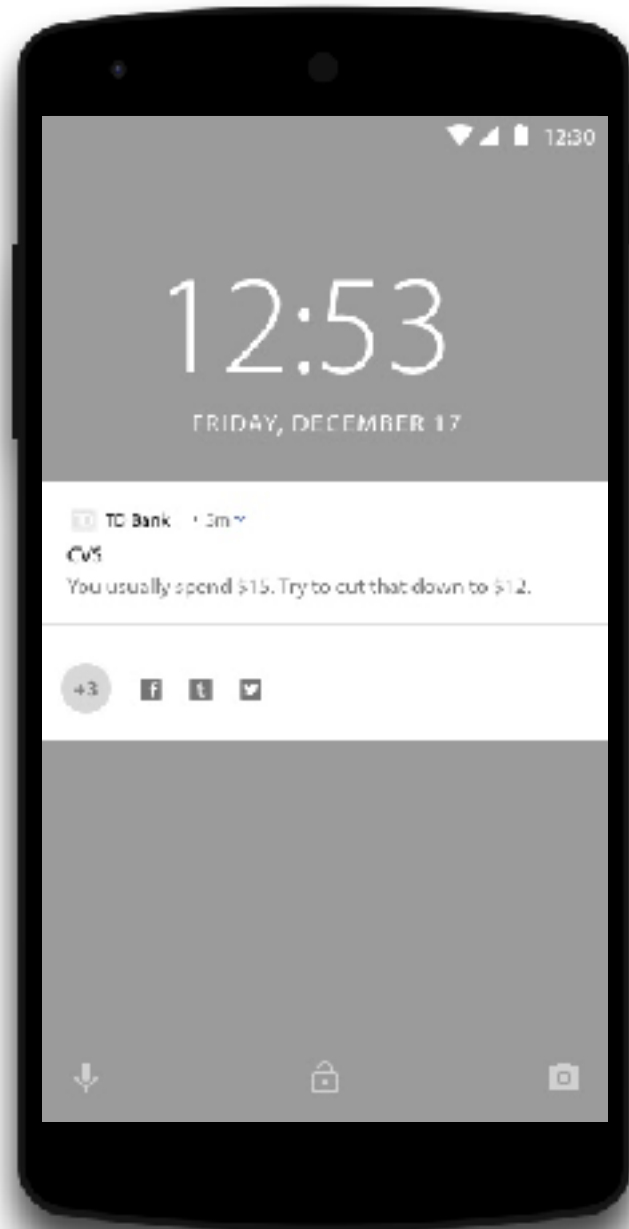
SAFE TO SPEND



Safe to spend will keep users updated about how much they can safely spend using a visual that can give an approximate sense of where they currently stand on this month's budget. Users will be able to:

- Gain saving's momentum
- Understand the impact their impulsive spending habits may have on future goals

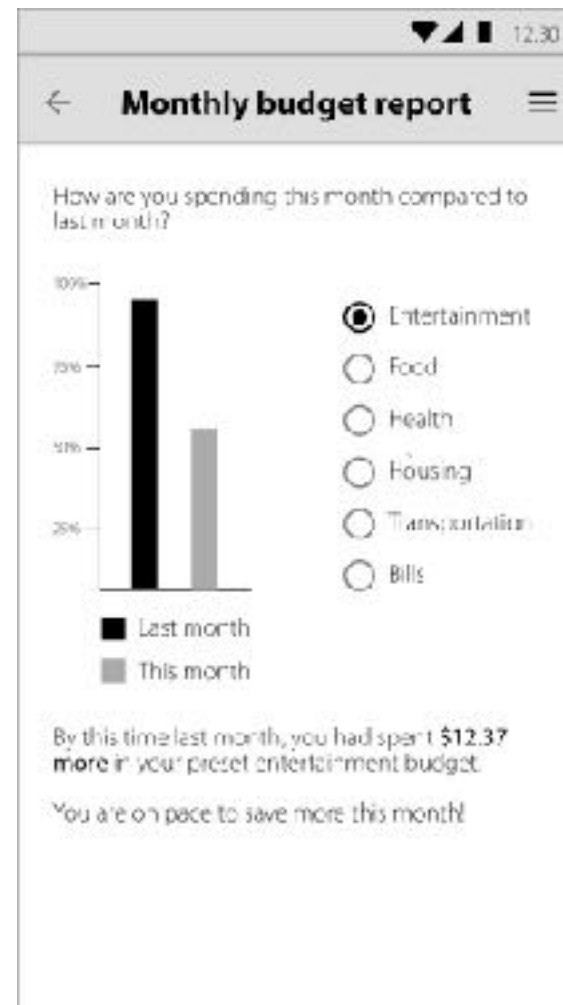
SAFE TO SPEND



Safe to spend will send push notifications to users based on location and spending habits. Users will be able to:

- Make low stakes decisions that lead to big gains in the future
- Get insight into their spending habits

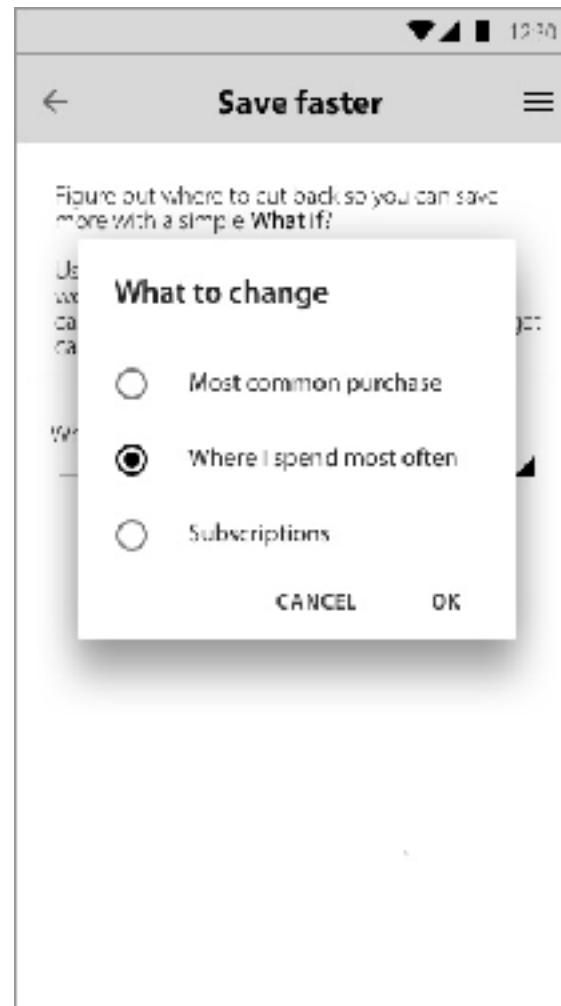
SAFE TO SPEND



Safe to spend reports will help users save. By default, all users' savings goals will be based on saving 3 months living expenses. Users will be able to:

- Get a snapshot of how far they have come to meeting the saving's goal
- Compare spending habits within key categories

SAFE FASTER



Safe faster provides users an opportunity to more proactively save. Since the banking application is tracking habits, users can request more nudges in a direction that will lead to greater savings. Users will be able to:

- Select between three different kinds of goals
- Get more push notifications that will nudge users towards saving more



Thank you!