Sustained behaviour change through financial education

Innovative approaches to educating consumers

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Thank you

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Presentation overview

- Methodology
- The impact of budgeting on financial outcomes and attitudes
- Barriers to budgeting
- Improving non-budgeters’ money management
2016 Budgeting pilot study

Purpose:

Does providing financial education messaging via a mobile platform lead to changes in behaviour?
2018 Follow up study

Offered to pilot participants who:

1. Had a **budget** at the beginning of the pilot
2. Had a **budget** by the end of the pilot
3. Planned to **budget** by the end of the pilot
Budgeting and financial education

54%

of those who began budgeting during the pilot were still budgeting 18 months later
People who budget have better financial outcomes

People use their budgets to...

• Pay down debts
• Save for the future
• Save for emergencies
**Finding:** Budgeters are more likely to keep up with their financial commitments.
Finding: Budgeting confidence is positively related to budgeting behaviours

How confident are you in your ability to make and follow a budget?

<table>
<thead>
<tr>
<th>Proportion who are confident or very confident</th>
<th>Reference group</th>
<th>Intervention group</th>
</tr>
</thead>
<tbody>
<tr>
<td>Budgeting at pilot and follow up</td>
<td>86%</td>
<td>63%</td>
</tr>
<tr>
<td>Budgeting at follow up</td>
<td>37%</td>
<td>63%</td>
</tr>
<tr>
<td>Not budgeting at follow up</td>
<td>37%</td>
<td>63%</td>
</tr>
</tbody>
</table>
People face barriers to budgeting

- Overwhelmed managing money
- Don’t need a budget to manage money
Non-budgeters can improve their money management with a budget

Non-budgeters wish to...

• Set financial goals and build savings
• Prioritize their spending
• Have a higher awareness of where their money is going
Budgets help achieve financial goals

My budget helps me to:

- Be aware of where my money is going: 31%
- Prioritize my spending: 13%
- Pay my bills on time: 14%
- Set financial goals and build savings: 21%
- Reduce my financial stress: 8%
- Feel in control of my money: 13%

Proportion of budgeters at the follow up study
Key findings

• Financial education delivered using a mobile platform can have a **sustained** impact in improving financial behaviours

• Budgeting behaviours are linked with positive financial attitudes and outcomes

• Budgets can help non-budgeters achieve their money management goals
Questions or Comments?
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