BlastPoint

CASE STUDY

Boost Financial Accessibility for Low Income Members with AI-Driven Engagement Strategies

Credit unions and CDFIs, focusing on Low to Moderate Income (LMI) members, leverage advanced data analytics and AI technologies to enhance personalized engagement. This data-driven approach leads to remarkable increase in engagement, dramatically improving outreach and financial inclusion for diverse LMI segments.

RESULTS

271%

Higher Top-Line Engagement

2.8X

Increase in product adoption with Low- and Moderate-Income Members

OVERVIEW

Credit unions and Community Development Financial Institutions (CDFIs) face unique challenges in engaging with Low to Moderate Income (LMI) members, who often lack access to conventional financial services. To effectively reach and serve this member segment, financial institutions needed to understand the specific needs, preferences, and barriers faced by LMI households. By leveraging AI-driven insights and personalized engagement strategies, credit unions and CDFIs increase their success in attracting and retaining LMI members.

OBJECTIVES

Enhance engagement with LMI individuals by overcoming barriers such as awareness, complex paperwork, and stigma.

Utilize AI-driven targeting & segmentation to tailor financial products and communication strategies to diverse LMI demographics.
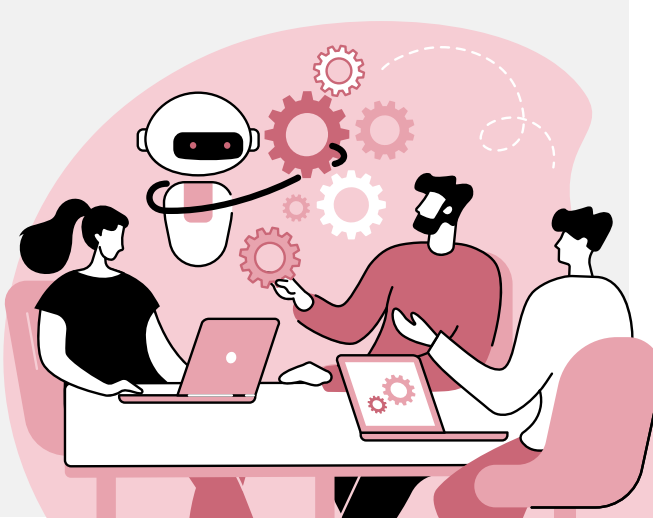
SOLUTION

Data-Driven Strategies Personalize Financial Services

Understanding the diverse needs of LMI members is crucial for effective engagement. Credit unions and CDFIs use data analytics to segment the LMI population into distinct groups with specific preferences and needs. This segmentation allows for the creation of personalized financial products and communication strategies that resonate with different segments. For example, consider single parents vs empty nesters - they are both income qualified but have very different financial needs and engagement preferences.

AI-Enhanced Engagement Tools

One of the primary obstacles for LMI member engagement is the complex paperwork involved in financial services. Credit unions and CDFIs have implemented AI-driven tools, including chatbots that simplify form filling and query handling, that assist members through these processes, thereby reducing intimidation and enhancing user experience.

Community-Based Partnerships

To further penetrate LMI markets, credit unions and CDFIs engage in partnerships with local community organizations. These partnerships help establish a trusted presence in LMI areas and facilitate direct engagement through community events and initiatives. Such collaborations not only increase the visibility of financial services but also help tailor them to meet the localized needs of the community.