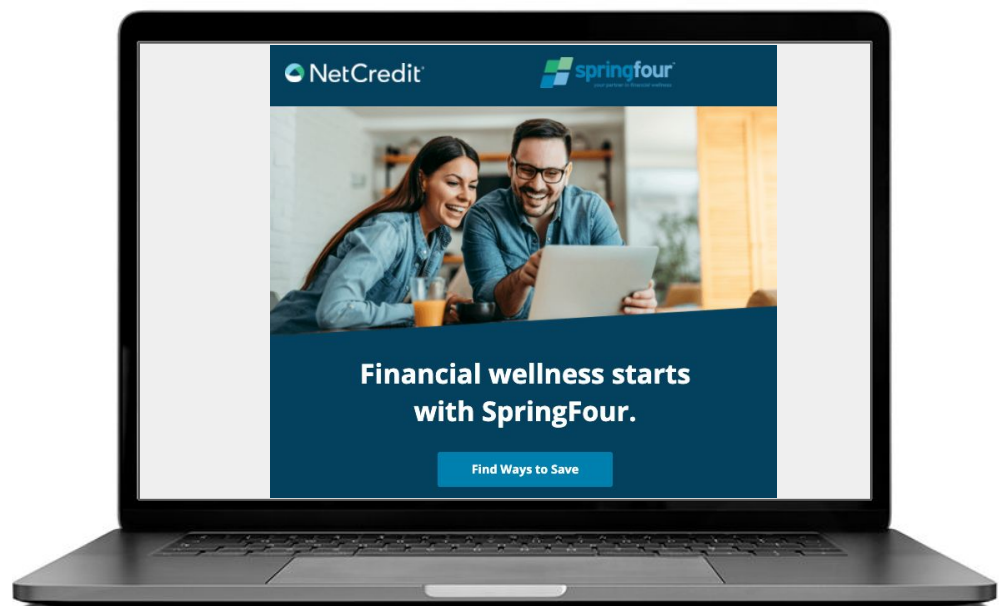




A CHICAGO FINTECH FINANCIAL HEALTH COLLABORATION: SPRINGFOUR AND ENOVA

CASE STUDY

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INTRODUCTION

Enova is an online financial services provider headquartered in Chicago whose simple online application process has helped more than 7 million individuals handle their financial emergencies and find access to trustworthy credit. SpringFour, also based in Chicago, has been providing access to referrals for financial assistance to families in need since 2005. As a certified-B corporation, SpringFour believes that families facing financial challenges need and deserve targeted programs to help them in their financial health journeys. In 2020, SpringFour provided over 3.2 million referrals to vetted local nonprofit and government resources.

Enova and SpringFour began to explore a partnership in October of 2019. Enova recognized that SpringFour would be an excellent tool for continuing the conversation about financial health with their customers by connecting them with free and effective financial solutions provided by nonprofits and government agencies. By the spring of 2020, Enova had launched SpringFour resources via S4direct to its CashNetUSA and NetCredit brands.

“We are thrilled that Enova has chosen SpringFour as its trusted source for financial health resources for its brand and for its customers. It's important to provide customers in need with local resources that can help address their underlying financial needs. Enova understands that this is a vital component of any financial health solution. Together, we can provide the financial opportunities that so many Americans need and deserve, especially during this challenging time. We have seen that when we come together, the impact is greater than it would be working alone. ”

- Rochelle Gorey, Co-Founder and CEO, SpringFour

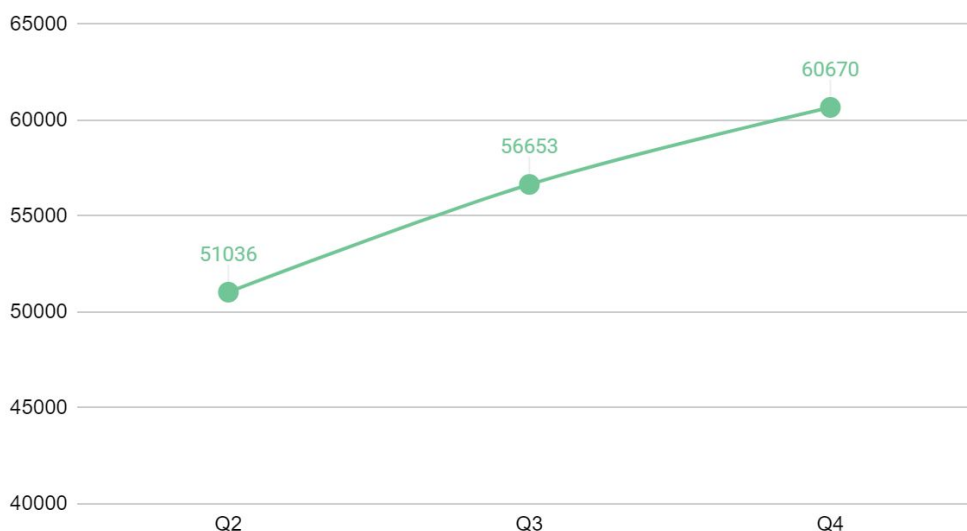
DUAL BRANDING FOR GREATEST IMPACT

As the COVID-19 pandemic intensified in the middle of 2020, Enova noticed its customers struggling with the economic impacts of the virus. In addition to developing flexible credit plans that met the unique needs of its customers, Enova began to heavily utilize SpringFour in Q3 2020 in order to assist its customers. SpringFour offers over 20,000 vetted local government and nonprofit resources in over 30 categories of need, such as food assistance, employment services, prescription savings, home repair, and more.

Within the first three months of this partnership, Enova customers accessed over 50,000 SpringFour referrals, and by year-end, they had received over 175,000 referrals from SpringFour.

CashNetUSA customers accounted for the majority of these referrals, though NetCredit customers also received tens of thousands of referrals from SpringFour. Enova saw a rapidly-accelerating rate of referrals throughout 2020, as shown in the chart below. This is very much in line with SpringFour's overall usage trends, as pandemic-related unemployment and income loss continued to impact families throughout the year.

SpringFour Referrals Q2-Q4 2020, Enova Customers



It is important to note the decision that Enova made early on to launch parallel SpringFour platforms for two of its brands: CashNetUSA and NetCredit. Both of these brands offer loans to customers who need quick access to cash for a variety of reasons. Customers in both segments, while displaying varying degrees of financial health, sometimes find themselves in situations where they are in need of financial assistance to meet their basic monthly expenses. Enova has found that its customers could use an expanded set of resources to help them cover emergency expenses, in addition to loans.

Enova sees its role as a financial services company as one that should be able to be a real partner with customers to help them stay current on their payments--which in turn can help improve their credit opportunities and overall financial health.

“As a trusted partner, we believe it’s important to arm our customers with tools and resources that can help them improve their financial health--beyond our core offering of access to credit.”

- Kelly Jordan, Head of Global Consumer and SMB Marketing, Enova

Working with SpringFour is a major component of building this type of partnership, and Enova felt that having dedicated SpringFour platforms for both CashNetUSA and NetCredit borrowers would be the most beneficial way to provide customers with the resources they need. Both CashNetUSA and NetCredit customers can benefit from this type of partnership; however, there are some differences in how these customers seek to interact with Enova. In order to understand just what those differences are, and what the greatest need might be for customers looking for additional financial resources, Enova reached out to its customers to learn more about their struggles with job and income loss from the COVID-19 pandemic.

WHAT DO CUSTOMERS NEED?

In Q4 2020, Enova surveyed 12,000 CashNetUSA and NetCredit customers to better understand their approach to employment and if they would find value in free employment resources (from SpringFour, or other platforms). Enova found that many respondents (both CashNetUSA and NetCredit) have experienced income volatility as a result of COVID-19. These findings are in line with SpringFour's survey of low and moderate-income (LMI) households from Q3 2020, which found that more than a quarter of respondents had lost income due to the pandemic.

Enova's survey uncovered customers' interest in receiving additional resources from their financial services provider:

"I believe that NetCredit is a reliable source, so if you recommended an agency, I am more inclined to believe they are legitimate."

-NetCredit Customer

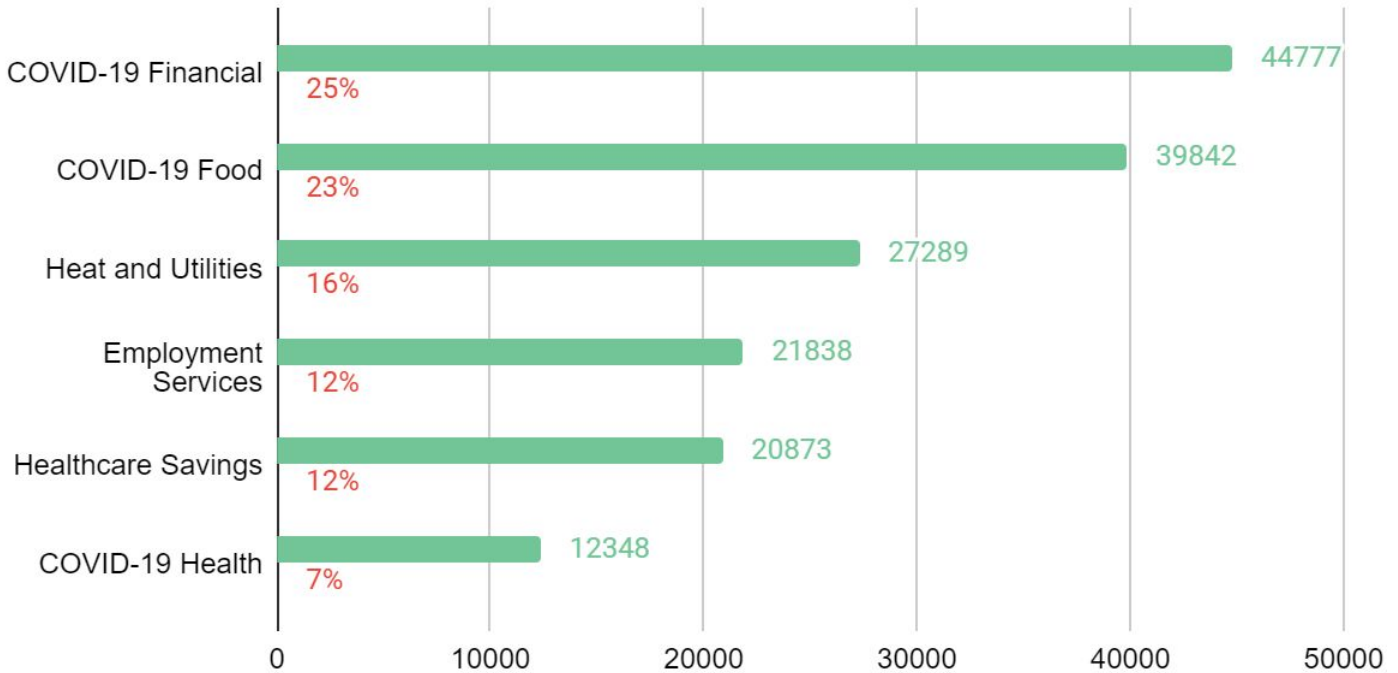
"It would be nice to have someone help you when times are hard."

-CashNetUSA customer

CashNetUSA[®]

 **NetCredit**[®]

Top SpringFour Referrals by Category, Enova, 2020



Throughout 2020, for both Enova and all SpringFour clients, employment services referrals accounted for 12% of total referrals. Employment services has consistently been the fourth-largest category of referrals since the partnership with SpringFour began. Since the pandemic, Enova customers have also been searching for assistance with food, utility savings, and healthcare costs. Further, 55% of SpringFour referrals to Enova customers fell into one of three categories that SpringFour developed directly after the COVID-19 pandemic: COVID-19 Financial; COVID-19 Food; and COVID-19 health. This trend correlates with what SpringFour is seeing from an overall demand perspective for all of its clients: families needing help accessing basic necessities right away. In Q4 2020, 51% of total SpringFour referrals were in one of the three COVID-19 categories. This trend remained relatively constant in 2020.

Knowing that customers need employment assistance is a crucial step in helping them on their path to financial health. When families are experiencing unemployment or income loss, any additional income can have a domino effect on being able to pay for other needs (food, utilities, health care costs, etc.). Helping families in any of these categories of need during a time of employment insecurity is extremely helpful for households.

Important findings from Enova's survey of its customers highlight the impact of the pandemic and the desire of customers to receive outside assistance.

Enova found that of those experiencing income volatility, most kept their job but had hours reduced; the majority of CashNetUSA and NetCredit customers experiencing volatility are hourly workers. Moreover, customers expressed interest in receiving additional information and resources, and told Enova that they normally rely on family, friends, or the Internet for that guidance.

These findings supported the company's earlier decision to work with SpringFour to provide accurate, specialized, local resources to these customers, and supported Enova's decision to explore additional customer-first partnerships.

“Customer First is a core value at Enova. Throughout COVID, the teams worked hard to expand our payment accommodation policies and provide our customers with valuable resources to help them manage financial uncertainty. SpringFour perfectly complemented these efforts, and, upon introduction, a partnership was an obvious next step.”

- Kelly Jordan, Head of Global Consumer and SMB Marketing, Enova

It is very common for families to not know where to turn for financial assistance. As SpringFour found in its survey of LMI households:

40% of respondents were not at all familiar or not very familiar with resources that could help them in a financial crisis, while 43% were somewhat familiar.

Only 17% of respondents stated that they were very familiar with the resources that might be available to help them through a financial setback.

At the same time, 83% of our survey respondents expressed interest in receiving such resources from their bank.

Enova's survey of CashNetUSA and NetCredit customers uncovered a desire to receive additional information about employment services--combined with an admission that families lack a formal, cohesive way to access that information:

For both CashNetUSA and NetCredit, over 50% of respondents expressed interest in employment information, as many are actively looking for ways to earn additional income;

Most respondents turn to the internet or family/friends for help/guidance;

A top reason that NetCredit and CashNetUSA customers were looking for additional income and employment was to increase savings and have more money to pay bills.

A HOLISTIC APPROACH TO EMPLOYMENT ASSISTANCE

Knowing that customers were in need of resources and assistance related to increasing their employment and income, Enova developed a variety of strategies to help customers through financial stress. Some of those strategies include:

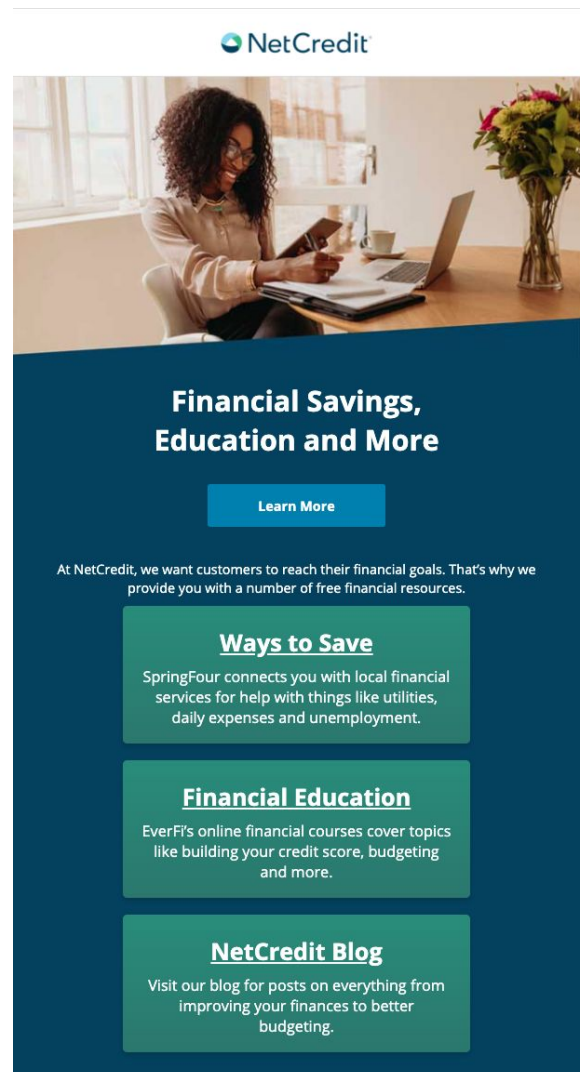
Payment flexibility - options, including, but not limited to: due date adjustments; payment deferrals; temporary payment relief; past due payment plans

Strategic blog content - blog posts that answer popular questions and provide best practices/guidance for interested customers

COVID-19 Resource Centers - curated help centers that guide visitors to unemployment resources, savings tools, financial education and more

Enova utilizes similar strategies to reach out to customers and let them know that these resources are available. Enova has found that people appreciate receiving content beyond simple operational emails. Having additional content helps keep customers engaged and enables a stronger relationship.

For example, Enova is highlighting partnerships with financial health providers, including SpringFour, in an effort to give customers support. Emails and landing pages directing customers to resources are sent out and updated regularly. When customers begin a new relationship with Enova, by taking out a loan or opening a line of credit, they receive a welcome package email that includes communication such as the image pictured here.



The image shows a screenshot of a NetCredit landing page. At the top, the NetCredit logo is visible. Below it is a photograph of a woman with curly hair sitting at a desk, looking at her smartphone. The page has a dark blue background with white and light blue text. The main heading is "Financial Savings, Education and More" with a "Learn More" button. Below this, a paragraph states: "At NetCredit, we want customers to reach their financial goals. That's why we provide you with a number of free financial resources." There are three green boxes with white text: "Ways to Save" (SpringFour connects you with local financial services for help with things like utilities, daily expenses and unemployment), "Financial Education" (EverFi's online financial courses cover topics like building your credit score, budgeting and more), and "NetCredit Blog" (Visit our blog for posts on everything from improving your finances to better budgeting).

SpringFour communications are targeted to those who have indicated they are undergoing financial stress. Communications include distress trigger emails - triggered emails that provide customers with resources that can provide support. These targeted messages let the customer know that they are not alone in trying to find a way to get back on track with their payments; their financial services provider is working with industry experts like SpringFour to help get to the root of their payment challenges and provide them with targeted local resources. This is a critical strategy that reaches customers with the specific resources they need—right at the time when they need them most.



CashNetUSA. 

Financial wellness starts with SpringFour.

[Find Ways to Save](#)

During challenging times, it's more important than ever to get financial help. That's why we give customers **free access** to SpringFour — an online platform that connects you with local resources, including:

- Food assistance
- Heating/utility services
- Employment services
- Childcare savings

See how much you can save and find financial help today.

[Find Ways to Save](#)

SpringFour is not an affiliate or agent of CashNetUSA. CashNetUSA makes no representations, warranties, or guarantees about the information provided by SpringFour or the results of any referrals.

 Need to make a payment arrangement for your CashNetUSA account?
Call us at 888.801.9078

“It's important for us to reach out to our customers at the right time and with the right information. This has been an important factor in establishing strong and trusting relationships with our customers, especially during the COVID pandemic. By listening to what our customers are telling us, we have been able to provide support tools, like SpringFour, at a time when they will deliver the most positive impact to the customer.”

- Kelly Jordan, Head of Global Consumer and SMB Marketing, Enova

CONCLUSION

In any given year, low and moderate income families struggle with income volatility and financial emergencies. In 2020, we saw surging unemployment rates as high as 13% during the second quarter, and millions of Americans who had not experienced hardship in accessing basic necessities in the past found themselves in need of assistance affording food and rent. While economic hardships were greatly exacerbated by the pandemic, the financial reality of most low- and moderate-income households' lives is one of uncertainty in any time period. However, through partnerships such as the one between SpringFour and Enova, companies can come together to help.

“Lenders such as Enova recognize the reality of the complexity of people’s financial lives. They have made a dedicated effort to work with partners such as SpringFour to provide critical support and resources to help families get through a short-term or long-term financial crisis. Enova recognizes that working with a company like SpringFour to provide these resources is no longer a nice to have--it is a necessity. “

-Rochelle Gorey, Co-Founder and CEO, SpringFour

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