

BEHAVIORAL THEMES

Loss aversion, aspirations,
urgency, social norms

SECTOR
Financial inclusion

PROJECT TYPE
Field work

SAMPLE SIZE
1,397



IMPROVING ENTREPRENEURIAL PLANNING & SAVINGS BEHAVIOR OF N-POWER BENEFICIARIES

Photo credit: Joshua Oluwagbemiga





Photo credit: muhammadtaha-ibrahim

CONTEXT

The N-Power program is a youth empowerment program under the National Social Investment Office (NSIO). N-Power's core objective is to provide unemployed Nigerian graduates and non-graduates with job placements & on-the-job training over a 2-year period. The goal of the program is to provide beneficiaries with the skills required to transition to full time employment or entrepreneurial activity, beyond the program, after 2 years.

GOALS



Ensure employment for unemployed or non-graduate youths

DESIGN

INTERVENTION

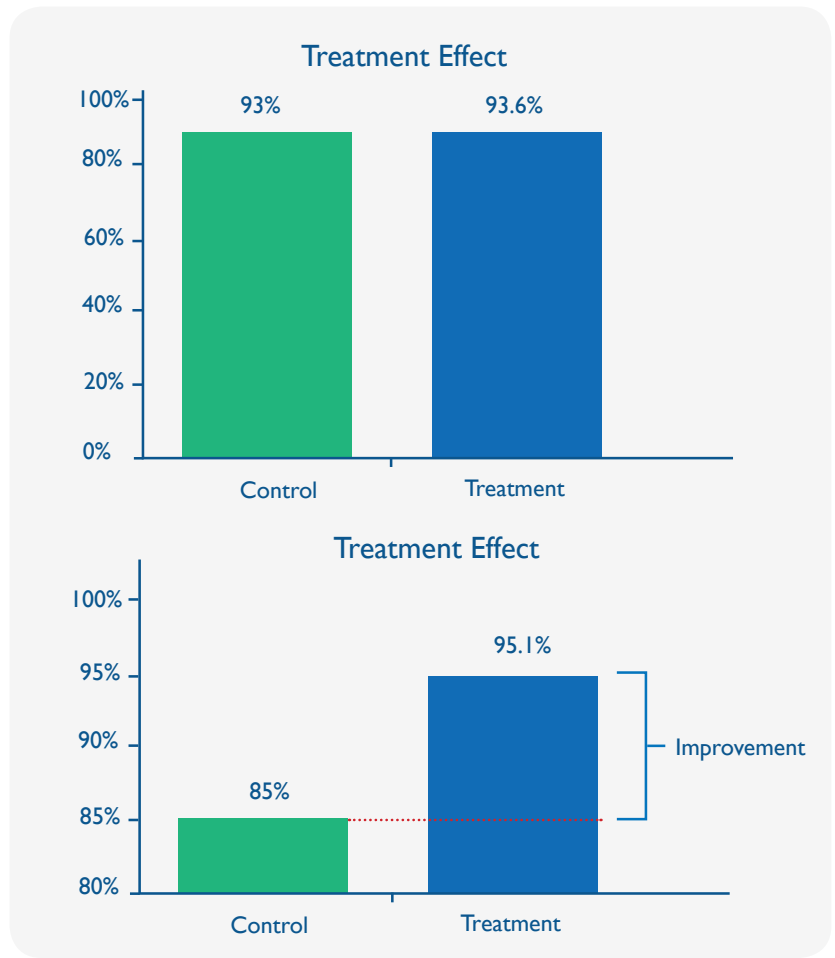
Sending weekly email updates to the beneficiaries showcasing role model volunteers that started businesses and attributing their success to the different tools provided by the N-Power program.

THEORY OF CHANGE

People tend to anchor their actions based on a reference point. Providing N-Power beneficiaries with updates on successful role models within the program can improve their perception about entrepreneurship.

RESULTS

The exposure of the treatment group to a reference point had a slight effect on the beneficiaries perception of their entrepreneurial self-efficacy. The treatment group reported, on the average, better awareness of the skills necessary to start a business.



INTERVENTION

Sending **negative framed** weekly messages on the need to save can improve beneficiaries saving.

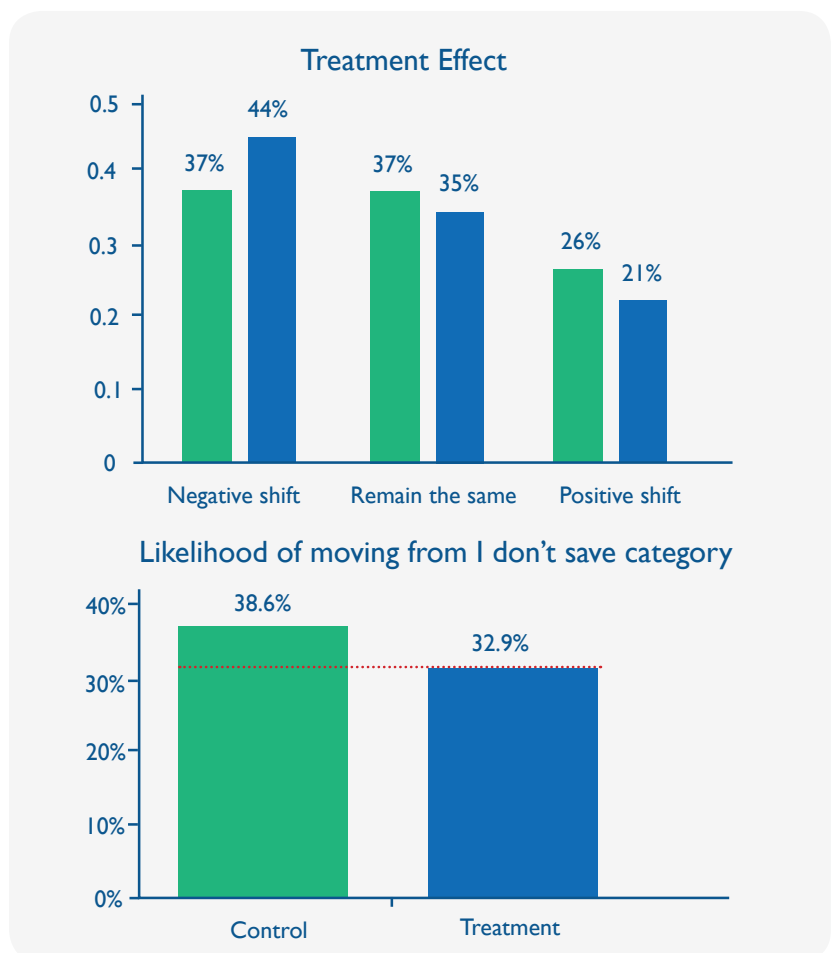
THEORY OF CHANGE

Using negative framed messages can drive the sense of urgency of the need to save and lead to improved beneficiary saving.

RESULTS

A large proportion of the beneficiaries in both groups reported a decrease in their savings level or a stagnation in their savings. However, beneficiaries in the treatment groups on the average, reported lower level of savings than the control group.

We think beneficiaries might need more guidance to anchor their savings, such as a savings threshold.



DESIGN

INTERVENTION

Sending weekly loss framed messages to beneficiaries will improve their savings.

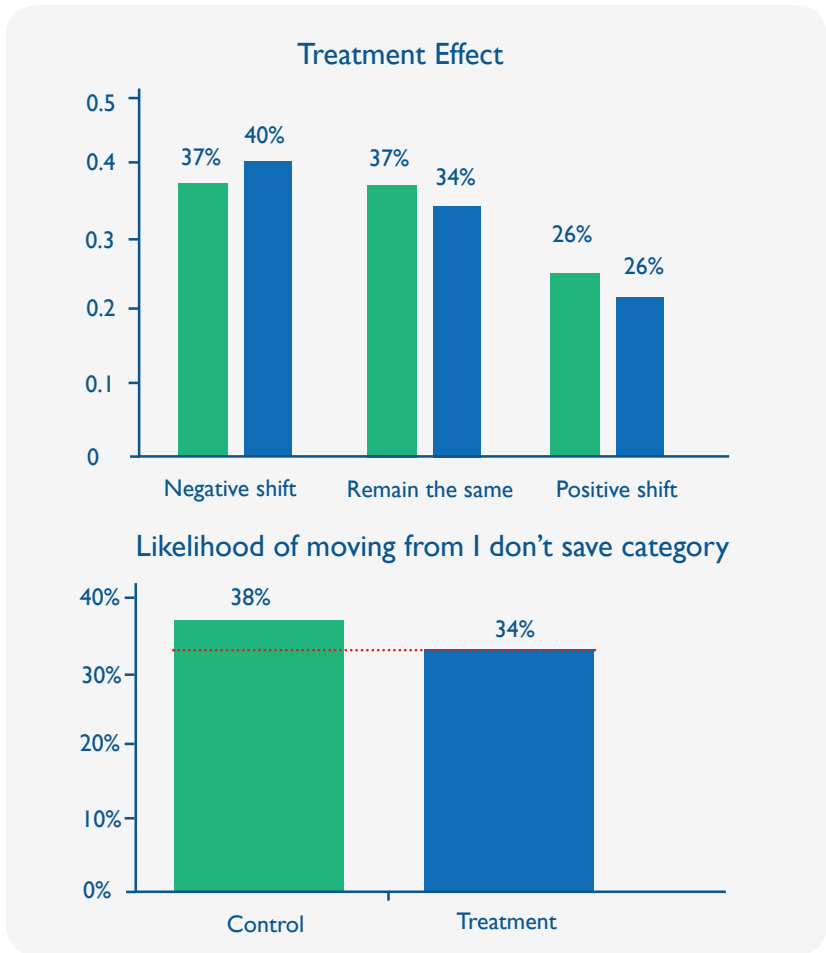
THEORY OF CHANGE

By sending loss framed messages to beneficiaries that make the possible losses of not saving salient, beneficiaries can therefore feel a sense of urgency to save and that will drive beneficiaries' saving.

RESULTS

A large proportion of the beneficiaries in both groups reported a decrease in their savings level or a stagnation in their savings. However, beneficiaries in the treatment groups on the average, reported lower level of savings than the control group.

We think beneficiaries might need more guidance to anchor their savings in form of a threshold.



INTERVENTION

Sending weekly aspirational messages to beneficiaries that highlights possible aspirations they have.

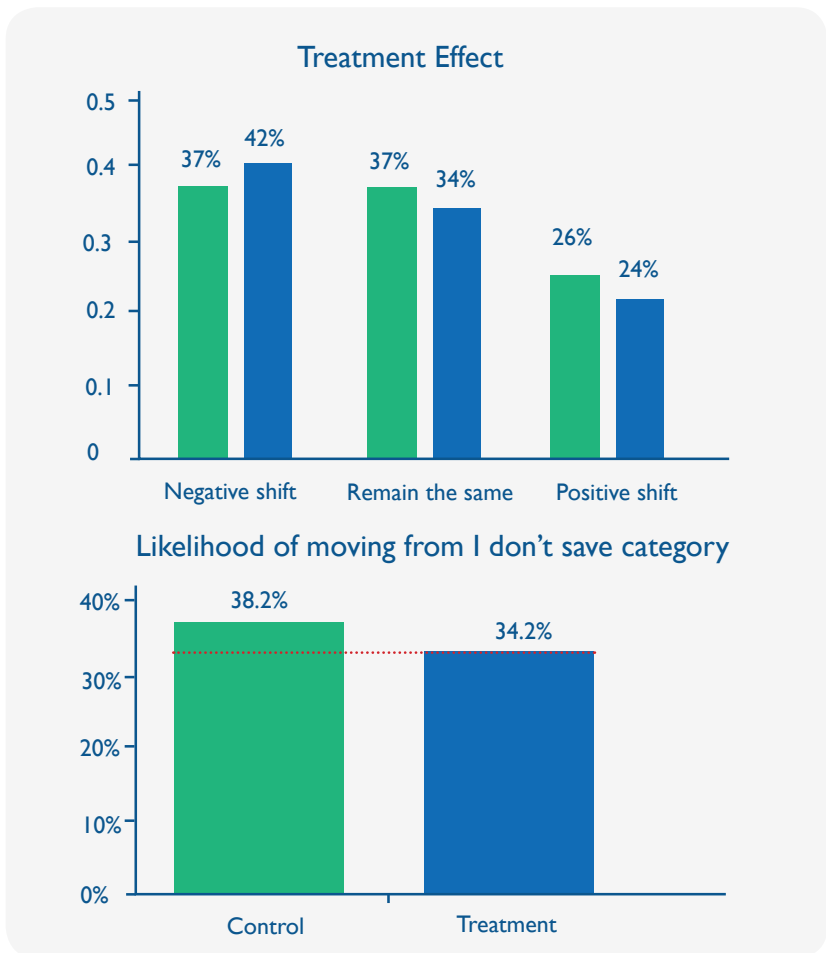
THEORY OF CHANGE

By sending aspirational messages to beneficiaries that make their aspirations salient, beneficiaries can improve their savings behavior.

RESULTS

A large proportion of the beneficiaries in both groups reported a decrease in their savings level or a stagnation in their savings. However, beneficiaries in the treatment groups on the average, reported lower level of savings than the control group.

We think beneficiaries might need more guidance to anchor their savings in form of a threshold.





DISCUSSION

COMMUNICATION STRATEGIES

The SMS channel should be leveraged for future interventions and communications strategy. Despite the role model intervention having an effect on the awareness of the skills required to start a business, the number of people in the intervention that opened the intervention email was low. A higher engagement level was observed through the SMS channel.

BEHAVIORALLY FRAMED MESSAGE

Ineffective behavioral message nudges: The loss framed, negative and aspirational messages were ineffective in improving beneficiaries savings behavior. Beneficiaries might need more guidance or an 'anchor' in motivating saving such as providing threshold amounts or setting clear financial goals.